

In the Senate of the United States,

March 12, 2026.

Resolved, That the bill from the House of Representatives (H.R. 6644) entitled “An Act to increase the supply of housing in America, and for other purposes.”, do pass with the following

AMENDMENT:

Strike all after the enacting clause and insert the following:

1 ***SECTION 1. SHORT TITLE; TABLE OF CONTENTS.***

2 (a) *SHORT TITLE.*— *This Act may be cited as the*
3 *“21st Century ROAD to Housing Act”.*

4 (b) *TABLE OF CONTENTS.*—*The table of contents for*
5 *this Act is as follows:*

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING FINANCIAL LITERACY

Sec. 101. Reforms to housing counseling and financial literacy programs.

TITLE II—BUILDING MORE IN AMERICA

Sec. 201. Rental assistance demonstration program.

Sec. 202. Increasing housing in opportunity zones.

Sec. 203. Whole-Home Repairs Act.

Sec. 204. Community Investment and Prosperity Act.

- Sec. 205. Build Now Act.*
- Sec. 206. Addition of affordable housing construction as an eligible activity.*
- Sec. 207. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.*
- Sec. 208. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.*
- Sec. 209. Grants for planning and implementation associated with affordable housing.*
- Sec. 210. Innovation Fund.*
- Sec. 211. Accelerating Home Building Act.*
- Sec. 212. Revitalizing Empty Structures Into Desirable Environments (RESIDE) Act.*
- Sec. 213. Housing Affordability Act.*

TITLE III—MANUFACTURED HOUSING FOR AMERICA

- Sec. 301. Housing Supply Expansion Act.*
- Sec. 302. Modular Housing Production Act.*
- Sec. 303. Property Improvement and Manufactured Housing Loan Modernization Act.*
- Sec. 304. Price Act.*

TITLE IV—ACCESSING THE AMERICAN DREAM

- Sec. 401. Creating incentives for small dollar loan originators.*
- Sec. 402. Small dollar mortgage points and fees.*
- Sec. 403. Appraisal Industry Improvement Act.*
- Sec. 404. Helping More Families Save Act.*
- Sec. 405. Choice in Affordable Housing Act.*

TITLE V—PROGRAM REFORM

- Sec. 501. Reforming Disaster Recovery Act.*
- Sec. 502. HOME Investment Partnerships Reauthorization and Reform Act.*
- Sec. 503. Rural Housing Service Reform Act.*
- Sec. 504. New Moving to Work cohort.*
- Sec. 505. Incentivizing local solutions to homelessness.*

TITLE VI—VETERANS AND HOUSING

- Sec. 601. VA Home Loan Awareness Act.*
- Sec. 602. Veterans Affairs Loan Informed Disclosure (VALID) Act.*
- Sec. 603. Housing Unhoused Disabled Veterans Act.*

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

- Sec. 701. Requiring annual testimony and oversight from housing regulators.*
- Sec. 702. FHA reporting requirements on safety and soundness.*
- Sec. 703. United States Interagency Council on Homelessness oversight.*
- Sec. 704. Appraisal Modernization Act.*

TITLE VIII—COORDINATION, STUDIES, AND REPORTING

- Sec. 801. HUD-USDA-VA Interagency Coordination Act.*
- Sec. 802. Streamlining Rural Housing Act.*
- Sec. 803. Improving self-sufficiency of families in HUD-subsidized housing.*
- Sec. 804. GAO studies.*

TITLE IX—HOMEOWNERSHIP FOR MAIN STREET AMERICA

Sec. 901. *Homes are for people, not corporations.*

TITLE X—CENTRAL BANK DIGITAL CURRENCY

Sec. 1001. *Central bank digital currency.*

TITLE XI—MISCELLANEOUS

Sec. 1101. *Severability.*

Sec. 1102. *No additional funds authorized.*

1 **TITLE I—IMPROVING FINANCIAL**
 2 **LITERACY**

3 **SEC. 101. REFORMS TO HOUSING COUNSELING AND FINAN-**
 4 **CIAL LITERACY PROGRAMS.**

5 (a) *IN GENERAL.*—Section 106 of the Housing and
 6 Urban Development Act of 1968 (12 U.S.C. 1701x) is
 7 amended—

8 (1) *in subsection (a)(4)(C), by striking “ade-*
 9 *quate distribution” and all that follows through “fore-*
 10 *closure rates” and inserting “that the recipients are*
 11 *geographically diverse and include organizations that*
 12 *serve urban or rural areas”;*

13 (2) *in subsection (e), by adding at the end the*
 14 *following:*

15 “(6) *PERFORMANCE REVIEW.*—*The Secretary*
 16 *shall conduct performance reviews of all participating*
 17 *agencies that—*

18 “(A) *consist of a review of the participating*
 19 *agency’s compliance with all program require-*
 20 *ments; and*

1 “(B) *may take into account the agency’s ag-*
2 *gregate counselor performance under paragraph*
3 *(8)(B).*

4 “(7) *PERIODIC REVIEWS.—The Secretary may*
5 *conduct periodic on-site reviews as the Secretary*
6 *deems appropriate.*

7 “(8) *CONSIDERATIONS.—*

8 “(A) *COVERED MORTGAGE LOAN DE-*
9 *FINED.—In this paragraph, the term ‘covered*
10 *mortgage loan’ means any loan which is secured*
11 *by a first or subordinate lien on residential real*
12 *property (including individual units of con-*
13 *dominiums and cooperatives) designed prin-*
14 *cipally for the occupancy of between 1 and 4*
15 *families that is—*

16 “(i) *insured by the Federal Housing*
17 *Administration under title II of the Na-*
18 *tional Housing Act (12 U.S.C. 1707 et seq.);*
19 *or*

20 “(ii) *guaranteed under section 184 or*
21 *184A of the Housing and Community De-*
22 *velopment Act of 1992 (12 U.S.C. 1715z–*
23 *13a, 1715z–13b).*

24 “(B) *COMPARISON.—For each counselor em-*
25 *ployed by an organization receiving assistance*

1 *under this section for pre-purchase housing coun-*
2 *seling, the Secretary may consider the perform-*
3 *ance of the counselor compared to the default*
4 *rate of all counseled borrowers of a covered mort-*
5 *gage loan in comparable markets and such other*
6 *factors as the Secretary determines appropriate*
7 *to further the purposes of this section.*

8 “(9) *CERTIFICATION.*—*If, based on the compari-*
9 *son required under paragraph (8)(B), the Secretary*
10 *determines that a counselor lacks competence to pro-*
11 *vide counseling in the areas described in subsection*
12 *(e)(2) and such action will not create a significant*
13 *loss of capacity for housing counseling services in the*
14 *service area, the Secretary may—*

15 “(A) *require continued education coupled*
16 *with successful completion of a probationary pe-*
17 *riod;*

18 “(B) *require retesting if the counselor con-*
19 *tinues to demonstrate a lack of competence under*
20 *paragraph (8)(B); and*

21 “(C) *permanently suspend an individual*
22 *certification if a counselor fails to demonstrate*
23 *competence after not fewer than 2 retesting op-*
24 *portunities under subparagraph (B).”;*

25 (3) *in subsection (i)—*

1 (A) by redesignating paragraph (3) as
2 paragraph (4); and

3 (B) by inserting after paragraph (2) the fol-
4 lowing:

5 “(3) *TERMINATION OF ASSISTANCE.*—

6 “(A) *IN GENERAL.*—The Secretary may
7 deny renewal of covered assistance to an organi-
8 zation or entity receiving covered assistance if
9 the Secretary determines that the organization or
10 entity, or the individual through which the orga-
11 nization or entity provides counseling, is not in
12 compliance with program requirements—

13 “(i) based on the performance review
14 described in subsection (e)(6); and

15 “(ii) in accordance with regulations
16 issued by the Secretary.

17 “(B) *NOTICE.*—The Secretary shall give an
18 organization or entity receiving covered assist-
19 ance not less than 60 days prior written notice
20 of any denial of renewal under this paragraph,
21 and the determination of renewal shall not be fi-
22 nalized until the end of that notice period.

23 “(C) *INFORMAL CONFERENCE.*—If requested
24 in writing by the organization or entity within
25 the notice period described in subparagraph (B),

1 *the organization or entity shall be entitled to an*
2 *informal conference with the Deputy Assistant*
3 *Secretary of Housing Counseling on behalf of the*
4 *Secretary at which the organization or entity*
5 *may present for consideration specific factors*
6 *that the organization or entity believes were be-*
7 *yond the control of the organization or entity*
8 *and that caused the failure to comply with pro-*
9 *gram requirements, such as a lack of lender or*
10 *servicer coordination or communication with*
11 *housing counseling agencies and individual*
12 *counselors.”; and*

13 *(4) by adding at the end the following:*

14 “(j) *OFFERING FORECLOSURE MITIGATION COUN-*
15 *SELING.—*

16 “(1) *COVERED MORTGAGE LOAN DEFINED.—In*
17 *this subsection, the term ‘covered mortgage loan’*
18 *means any loan which is secured by a first or subor-*
19 *ordinate lien on residential real property (including in-*
20 *dividual units of condominiums) or stock or member-*
21 *ship in a cooperative ownership housing corporation*
22 *designed principally for the occupancy of between 1*
23 *and 4 families that is—*

1 “(A) insured by the Federal Housing Ad-
2 ministration under title II of the National Hous-
3 ing Act (12 U.S.C. 1707 et seq.);

4 “(B) guaranteed under section 184 or 184A
5 of the Housing and Community Development Act
6 of 1992 (12 U.S.C. 1715z–13a, 1715z–13b);

7 “(C) made, guaranteed, or insured by the
8 Department of Veterans Affairs; or

9 “(D) made, guaranteed, or insured by the
10 Department of Agriculture.

11 “(2) OPPORTUNITY FOR BORROWERS.—A bor-
12 rower with respect to a covered mortgage loan who is
13 30 days or more delinquent on payments for the cov-
14 ered mortgage loan shall be given an opportunity to
15 participate in available housing counseling.

16 “(3) COST.—If the requirements of sections
17 202(a)(3) and 205(f) of the National Housing Act (12
18 U.S.C. 1708(a)(3), 1711(f)) are met, the fair market
19 rate cost of counseling for delinquent borrowers de-
20 scribed in paragraph (2) with respect to a covered
21 mortgage loan described in paragraph (1)(A) shall be
22 paid for by the Mutual Mortgage Insurance Fund, as
23 authorized under section 203(r)(4) of the National
24 Housing Act (12 U.S.C. 1709(r)(4)).”.

1 **TITLE II—BUILDING MORE IN**
2 **AMERICA**

3 **SEC. 201. RENTAL ASSISTANCE DEMONSTRATION PRO-**
4 **GRAM.**

5 *The language under the heading “RENTAL ASSISTANCE*
6 *DEMONSTRATION” in the Department of Housing and*
7 *Urban Development Appropriations Act, 2012 (Public Law*
8 *112–55; 125 Stat. 673) is amended—*

9 (1) *in the second proviso, by striking “until Sep-*
10 *tember 30, 2029” and inserting “for fiscal year 2012*
11 *and each fiscal year thereafter”;*

12 (2) *by striking the fourth proviso;*

13 (3) *in the twentieth proviso, as so designated be-*
14 *fore the date of enactment of this Act, by striking “or*
15 *other means:” and inserting “or other means, includ-*
16 *ing the adoption of a mandatory tenant lease and*
17 *management plan addendum for a property with as-*
18 *sistance converted, if not otherwise covered by another*
19 *program, under this demonstration.”; and*

20 (4) *by striking “vouchers to project-based vouch-*
21 *ers.” and inserting “vouchers to project-based vouch-*
22 *ers: Provided further, That the Secretary shall annu-*
23 *ally assess and publish findings regarding the impact*
24 *of the conversion of assistance under the First Compo-*
25 *nent of the demonstration with respect to the preser-*

1 *vation and improvement of public housing, the*
2 *amount of private sector leveraging resulting from*
3 *such conversion transactions, the prevalence of pre-*
4 *conversion residents remaining in or returning to the*
5 *property following conversion, and the effect of such*
6 *conversion on tenants, including the impact of such*
7 *conversion on the rights maintained by tenants as*
8 *enumerated in regulations and other documents con-*
9 *ferring rights upon tenants as developed by the Sec-*
10 *retary, and other matters the Secretary may deter-*
11 *mine appropriate: Provided further, That the Sec-*
12 *retary may take remediative action or impose civil*
13 *money penalties or other administrative sanctions for*
14 *material violations of a requirement under the First*
15 *and Second Components of this demonstration: Pro-*
16 *vided further, That nothing in the matter under this*
17 *heading shall be construed to diminish, impair, or*
18 *otherwise negatively affect the Rental Assistance Dem-*
19 *onstration property rights of owners or rights of ten-*
20 *ants, which shall remain enforceable by tenants, as*
21 *enumerated in current law, regulations, and other*
22 *agency guidance or notices as it relates to properties*
23 *converted under the First and Second Components of*
24 *the Rental Assistance Demonstration Program.”.*

1 **SEC. 202. INCREASING HOUSING IN OPPORTUNITY ZONES.**

2 (a) *COVERED GRANT DEFINED.*—*In this section, the*
3 *term “covered grant” means any competitive grant relating*
4 *to the construction, modification, rehabilitation, or preser-*
5 *vation of housing, as determined by the Secretary of Hous-*
6 *ing and Urban Development.*

7 (b) *PRIORITY.*—*When awarding a covered grant, the*
8 *Secretary of Housing and Urban Development may give ad-*
9 *ditional weight to applicants with proposed activities or*
10 *projects that are located in or substantially and directly*
11 *benefit a community designated as a qualified opportunity*
12 *zone under section 1400Z–1 of the Internal Revenue Code*
13 *of 1986.*

14 **SEC. 203. WHOLE-HOME REPAIRS ACT.**

15 (a) *DEFINITIONS.*—*In this section:*

16 (1) *AFFORDABLE UNIT.*—*The term “affordable*
17 *unit” means a unit for which the monthly rental pay-*
18 *ment is not more than 30 percent of the gross income*
19 *of an individual earning at or below 80 percent of the*
20 *area median income, as defined by the Secretary.*

21 (2) *ASSISTED UNIT.*—*The term “assisted unit”*
22 *means a unit that undergoes repair or rehabilitation*
23 *work through a whole-home repairs program adminis-*
24 *tered by an implementing organization under this*
25 *section.*

1 (3) *ELIGIBLE HOMEOWNER.*—*The term “eligible*
2 *homeowner” means a homeowner—*

3 (A) *with a household income that—*

4 (i) *is not more than 80 percent of the*
5 *area median income; or*

6 (ii) *meets the income eligibility re-*
7 *quirements for receiving assistance or bene-*
8 *fits under a specified program, as defined*
9 *in paragraph (11); and*

10 (B) *who is—*

11 (i) *an owner of record as evidenced by*
12 *a publicly recorded deed, or other document*
13 *recorded by the Bureau of Indian Affairs,*
14 *and occupies the home on which repairs are*
15 *to be conducted as their principal residence;*

16 (ii) *an owner-occupant of the manufac-*
17 *tured home on which repairs are to be con-*
18 *ducted; or*

19 (iii) *an owner who can demonstrate an*
20 *ownership interest in the property, or trust*
21 *land leasehold, on which repairs are to be*
22 *conducted, including a person who has in-*
23 *herited an interest in that property.*

24 (4) *ELIGIBLE LANDLORD.*—*The term “eligible*
25 *landlord” means an individual—*

1 (A) who owns, as determined by the rel-
2 evant implementing organization, fewer than 10
3 eligible rental properties, with a majority of af-
4 fordable units and not more than 25 total units,
5 operated as primary residences in which a ma-
6 jority ownership interest is held by the indi-
7 vidual, the spouse of the individual, or the de-
8 pendent children of the individual, or any closely
9 held legal entity controlled by the individual, the
10 spouse of the individual, or the dependent chil-
11 dren of the individual, either individually or col-
12 lectively; and

13 (B) who agrees to the provisions described
14 in subsection (b)(3).

15 (5) *ELIGIBLE RENTAL PROPERTY.*—The term “el-
16 igible rental property” means a residential property
17 that—

18 (A) is leased, or offered exclusively for lease,
19 as a primary residence by an eligible landlord;
20 and

21 (B) includes affordable units.

22 (6) *FORGIVABLE LOAN.*—The term “forgivable
23 loan” means a loan—

24 (A) made to an eligible landlord;

1 (B) that is secured by a lien recorded
2 against a residential property; and

3 (C) that may be forgiven by the imple-
4 menting organization not later than the date
5 that is 3 years after the completion of the repairs
6 if the eligible landlord has maintained compli-
7 ance with the loan agreement described in sub-
8 section (b)(3).

9 (7) *IMPLEMENTING ORGANIZATION*.—The term
10 “implementing organization”—

11 (A) means a unit of general local govern-
12 ment or a State that—

13 (i) will administer a whole-home re-
14 pairs program through an agency, depart-
15 ment, or other entity; or

16 (ii) enter into agreements with 1 or
17 more local governments, Indian tribes, mu-
18 nicipal authorities, other governmental au-
19 thorities, including a tribally designated
20 housing entity, or qualified nonprofit orga-
21 nizations, to administer a whole-home re-
22 pairs program as a subrecipient; and

23 (B) does not include a redundant entity in
24 a jurisdiction already served by a grantee under
25 subsection (b).

1 (8) *INDIAN TRIBE*.—*The term “Indian tribe” has*
2 *the meaning given the term in section 4 of the Native*
3 *American Housing Assistance and Self-Determination*
4 *Act of 1996 (25 U.S.C. 4103).*

5 (9) *QUALIFIED NONPROFIT*.—*The term “quali-*
6 *fied nonprofit” means a nonprofit organization*
7 *that—*

8 (A) *has received funding, as a recipient or*
9 *subrecipient, through—*

10 (i) *the Community Development Block*
11 *Grant program under title I of the Housing*
12 *and Community Development Act of 1974*
13 *(42 U.S.C. 5301 et seq.);*

14 (ii) *the HOME Investment Partner-*
15 *ships program under subtitle A of title II of*
16 *the Cranston-Gonzalez National Affordable*
17 *Housing Act (42 U.S.C. 12741 et seq.);*

18 (iii) *the Lead-Based Paint Hazard Re-*
19 *duction grant program under section 1011*
20 *of the Residential Lead-Based Paint Haz-*
21 *ard Reduction Act of 1992 (42 U.S.C.*
22 *4852), a grant under the Healthy Homes*
23 *Initiative administered by the Secretary*
24 *pursuant to sections 501 and 502 of the*
25 *Housing and Urban Development Act of*

1 *1970 (12 U.S.C. 1701z-1, 1701z-2), or a*
2 *grant under the Older Adult Home Modi-*
3 *fication Grants Program authorized under*
4 *the Consolidated Appropriations Act, 2024*
5 *(Public Law 118-42), or any successor Act,*
6 *to make safety and functional home modi-*
7 *fication repairs and renovations to meet the*
8 *needs of low-income seniors to enable them*
9 *to remain in their primary residence;*

10 *(iv) the Self-Help and Assisted Home-*
11 *ownership Opportunity program authorized*
12 *under section 11 of the Housing Oppor-*
13 *tunity Program Extension Act of 1996 (42*
14 *U.S.C. 12805 note);*

15 *(v) a rural housing program under*
16 *title V of the Housing Act of 1949 (42*
17 *U.S.C. 1471 et seq.); or*

18 *(vi) the Neighborhood Reinvestment*
19 *Corporation established under the Neighbor-*
20 *hood Reinvestment Corporation Act (42*
21 *U.S.C. 8101 et seq.);*

22 *(B) has coordinated, performed, or other-*
23 *wise been engaged in weatherization, lead reme-*
24 *diation, or home-repair work for not less than 2*
25 *years;*

1 (C) has been certified by the Environmental
2 Protection Agency, or by a State authorized by
3 the Environmental Protection Agency to admin-
4 ister a certification program, as—

5 (i) eligible to carry out activities under
6 the lead renovation, repair, and painting
7 program under section 402(c) or 404 of the
8 Toxic Substances Control Act (15 U.S.C.
9 2682(c), 2684); or

10 (ii) a Home Certification Organization
11 under the Energy Star program established
12 by section 324A of the Energy Policy and
13 Conservation Act (42 U.S.C. 6294a) or the
14 WaterSense program under section 324B of
15 that Act (42 U.S.C. 6294b), or recognized or
16 otherwise approved by the Environmental
17 Protection Agency as a Home Certification
18 Organization under either of those pro-
19 grams; or

20 (D) is a community development financial
21 institution, as defined in section 103 of the Com-
22 munity Development Banking and Financial In-
23 stitutions Act of 1994 (12 U.S.C. 4702).

24 (10) SECRETARY.—The term “Secretary” means
25 the Secretary of Housing and Urban Development.

1 (11) *SPECIFIED PROGRAM.*—*For purposes of*
2 *paragraph (3)(A)(ii), the term “specified program”*
3 *means any of the following:*

4 (A) *The Medicaid program established*
5 *under title XIX of the Social Security Act (42*
6 *U.S.C. 1396 et seq.).*

7 (B) *The State Children’s Health Insurance*
8 *Program established under title XXI of the So-*
9 *cial Security Act (42 U.S.C. 1397aa et seq.).*

10 (C) *The supplemental security income bene-*
11 *fits program established under title XVI of the*
12 *Social Security Act (42 U.S.C. 1381 et seq.).*

13 (D) *The supplemental nutrition assistance*
14 *program established under the Food and Nutri-*
15 *tion Act of 2008 (7 U.S.C. 2011 et seq.).*

16 (E) *The temporary assistance for needy*
17 *families program established under part A of*
18 *title IV of the Social Security Act (42 U.S.C.*
19 *601 et seq.).*

20 (12) *STATE.*—*The term “State” means—*

21 (A) *each State of the United States;*

22 (B) *the District of Columbia;*

23 (C) *the Commonwealth of Puerto Rico;*

24 (D) *any territory or possession of the*
25 *United States; and*

1 *(E) an Indian tribe.*

2 (13) *TRIBALLY DESIGNATED HOUSING ENTITY.—*

3 *The term “tribally designated housing entity” has the*
4 *meaning given the term in section 4 of the Native*
5 *American Housing Assistance and Self-Determination*
6 *Act of 1996 (25 U.S.C. 4103).*

7 (14) *WHOLE-HOME REPAIRS.—The term “whole-*
8 *home repairs” means modifications, repairs, or up-*
9 *dates to homeowner or renter-occupied units to ad-*
10 *dress—*

11 *(A) physical and sensory accessibility for*
12 *individuals with disabilities and older adults,*
13 *such as bathroom and kitchen modifications, in-*
14 *stallation of grab bars and handrails, guards*
15 *and guardrails, lifting devices, ramp additions*
16 *or repairs, sidewalk addition or repair, or door-*
17 *way or hallway widening;*

18 *(B) habitability and safety concerns, such*
19 *as repairs needed to ensure residential units are*
20 *fit for human habitation and free from defective*
21 *conditions or health and safety hazards; or*

22 *(C) energy and water efficiency, resilience,*
23 *and weatherization.*

24 (b) *PILOT PROGRAM.—*

1 (1) *ESTABLISHMENT.*—*There is authorized a*
2 *pilot program to provide grants to implementing or-*
3 *ganizations to administer a whole-home repairs pro-*
4 *gram for eligible homeowners and eligible landlords.*

5 (2) *USE OF FUNDS.*—*An implementing organiza-*
6 *tion that receives a grant from appropriated funds*
7 *made available for this subsection—*

8 (A) *shall provide grants to eligible home-*
9 *owners to implement whole-home repairs not cov-*
10 *ered by other Federal home repair programs up*
11 *to a maximum amount per unit, which max-*
12 *imum amount should—*

13 (i) *reflect local construction costs and*
14 *the level of repairs needed in each unit; and*

15 (ii) *be calculated and approved by the*
16 *Secretary;*

17 (B) *shall provide loans, which may be for-*
18 *givable, to eligible landlords to implement whole-*
19 *home repairs not covered by other Federal home*
20 *repair programs for individual affordable units,*
21 *public and common use areas within the prop-*
22 *erty, and common structural elements up to a*
23 *maximum amount per unit, area, or element, as*
24 *applicable, which maximum amount should—*

25 (i) *reflect local construction costs; and*

1 (ii) be calculated and approved by the
2 Secretary;

3 (C) shall evaluate, or provide assistance to
4 eligible homeowners and eligible landlords to
5 evaluate, whole-home repair program funds pro-
6 vided under this subsection with Federal, State,
7 Tribal, and local home repair programs to pro-
8 vide the greatest benefit to the greatest number of
9 eligible landlords and eligible homeowners and
10 avoid duplication of benefits and redundancies
11 for the same home repairs;

12 (D) shall require that—

13 (i) all repairs funded or facilitated
14 through an award under this subsection
15 have been completed;

16 (ii) if repairs are not completed and
17 the plan for whole-home repairs is not up-
18 dated to reflect the new scope of work, that
19 the loan or grant is repaid on a prorated
20 basis based on completed work; and

21 (iii) any unused grant or loan balance
22 is returned to the implementing organiza-
23 tion, and is reused by the implementing or-
24 ganization for a new whole-home repair
25 grant or loan under this subsection;

1 (E) may use not more than 5 percent of the
2 awarded funds to carry out related functions, in-
3 cluding workforce training for home repair pro-
4 fessions, which shall be related to efforts to in-
5 crease the number of home repairs performed
6 and approved by the Secretary;

7 (F) may use not more than 10 percent of
8 the awarded funds for administrative expenses;

9 (G) shall comply with Federal accessibility
10 requirements and standards under applicable
11 Federal fair housing and civil rights laws and
12 regulations, including section 504 of the Reha-
13 bilitation Act of 1973 (29 U.S.C. 794); and

14 (H) shall ensure that rental properties as-
15 sisted under subparagraph (B) shall be treated
16 as projects assisted under title I of the Housing
17 and Community Development Act of 1974 (42
18 U.S.C. 5301 et seq.).

19 (3) LOAN AGREEMENT.—In a loan agreement
20 with an eligible landlord under this subsection, an
21 implementing organization shall include provisions
22 establishing that the eligible landlord shall, for each
23 eligible rental property for which a loan is used to
24 fund repairs under this subsection—

1 (A) *comply with Federal accessibility re-*
2 *quirements and standards under applicable Fed-*
3 *eral fair housing and civil rights laws and regu-*
4 *lations, including section 504 of the Rehabilita-*
5 *tion Act of 1973 (29 U.S.C. 794); and*

6 (B)(i) *if the landlord is renting the assisted*
7 *units available in the eligible rental property to*
8 *tenants receiving tenant-based rental assistance*
9 *under section 8(o) of the United States Housing*
10 *Act of 1937 (42 U.S.C. 1437f(o)), under another*
11 *tenant-based rental assistance program adminis-*
12 *tered by the Secretary or the Secretary of Agri-*
13 *culture, or under a tenant-based rental subsidy*
14 *provided by a State or local government, comply*
15 *with the program requirements under the rel-*
16 *evant tenant-based rental assistance program; or*

17 (ii) *if the eligible landlord is not renting to*
18 *tenants receiving rental-based assistance as de-*
19 *scribed in clause (i)—*

20 (I)(aa) *offer to extend the lease of cur-*
21 *rent tenants on current terms, other than*
22 *the terms described in subclause (iv) for not*
23 *less than 3 years beginning after the com-*
24 *pletion of the repairs, unless the lease is ter-*
25 *minated due to failure to pay rent, perform-*

1 *ance of an illegal act within the rental unit,*
2 *or a violation of an obligation of tenancy*
3 *that the tenants failed to correct after no-*
4 *tice; and*

5 *(bb) if the tenant of an assisted unit*
6 *moves out of the assisted unit at any point*
7 *in the 3-year period following the loan*
8 *agreement, maintain the unit as an afford-*
9 *able unit for the remainder of the 3-year pe-*
10 *riod;*

11 *(II) provide documentation verifying*
12 *that the property, upon completion of ap-*
13 *proved renovations, has met all applicable*
14 *State and local housing and building codes;*

15 *(III) attest that the landlord has no*
16 *known serious violations of renter protec-*
17 *tions that have resulted in fines, penalties,*
18 *or judgments during the preceding 10 years;*
19 *and*

20 *(IV) cap annual rent increases for each*
21 *assisted unit at 5 percent of base rent or at*
22 *the rate of inflation, whichever is lower, for*
23 *not less than 3 years beginning after the*
24 *completion of the repairs.*

25 (4) *APPLICATION.—*

1 (A) *IN GENERAL.*—*An implementing orga-*
2 *nization desiring an award under this subsection*
3 *shall submit to the Secretary an application that*
4 *includes—*

5 (i) *the geographic scope of the whole-*
6 *home repairs program to be administered*
7 *by the implementing organization, includ-*
8 *ing the plan to address need in any rural,*
9 *Tribal, suburban, or urban area within a*
10 *jurisdiction;*

11 (ii) *a plan for selecting subrecipients,*
12 *if applicable;*

13 (iii) *a description of how the imple-*
14 *menting organization plans to execute the*
15 *coordination of Federal, State, Tribal, and*
16 *local home repair programs, including pro-*
17 *grams administered by the Department of*
18 *Energy, the Department of the Interior, the*
19 *Department of Veteran Affairs, or the De-*
20 *partment of Agriculture, to increase effi-*
21 *ciency and reduce redundancy;*

22 (iv) *available data on the need for af-*
23 *fordable and quality housing within the geo-*
24 *graphic scope of the whole-home repairs*

1 *program, and any plans to preserve afford-*
2 *ability through the term of the award;*

3 *(v) a description of how the imple-*
4 *menting organization plans to process and*
5 *verify applications for grants from eligible*
6 *homeowners and applications for loans from*
7 *eligible landlords; and*

8 *(vi) such other information as the Sec-*
9 *retary requires to determine the ability of*
10 *an applicant to carry out a program under*
11 *this subsection.*

12 *(B) CONSIDERATIONS.—In making awards*
13 *under this subsection, the Secretary shall—*

14 *(i) with respect to applications sub-*
15 *mitted by States other than the District of*
16 *Columbia and the territories of the United*
17 *States, prioritize those applications with a*
18 *demonstrated plan to—*

19 *(I) make a good-faith effort to im-*
20 *plement the pilot program in every ju-*
21 *risdiction; and*

22 *(II) provide non-metropolitan*
23 *areas, or subrecipients serving non-*
24 *metropolitan areas if applicable, with*

1 *a share of total funds commensurate*
2 *with their population;*

3 *(ii) aim to select applicants so that the*
4 *awardees collectively span diverse geog-*
5 *raphies, with an intent to understand the*
6 *impact of the pilot program under this sub-*
7 *section in urban, suburban, rural, and*
8 *Tribal settings; and*

9 *(iii) not disqualify implementing orga-*
10 *nizations that were awarded grants under*
11 *the pilot program in prior application cy-*
12 *cles.*

13 *(5) PROGRAM INFORMATION.—The Secretary*
14 *shall make available to grant recipients under this*
15 *subsection information regarding existing Federal*
16 *programs for which grant recipients may coordinate*
17 *or provide assistance in coordinating applications for*
18 *those programs in accordance with paragraph (2)(C).*

19 *(6) GRANT NUMBER.—In each year in which an*
20 *award is made under this subsection, the Secretary*
21 *shall award assistance to—*

22 *(A) not less than 2, and not more than 10,*
23 *implementing organizations, as application*
24 *numbers and funding permit; and*

1 *(B) not more than 1 implementing organi-*
2 *zation in any State.*

3 (7) *LOANS THAT ARE NOT FORGIVEN.—If a loan*
4 *made by an implementing organization under para-*
5 *graph (2)(B) is not forgiven, the loan repayment*
6 *funds shall be reused by the implementing organiza-*
7 *tion for a new whole-home repair grant or loan under*
8 *this subsection, which shall remain subject to the*
9 *original terms of the assistance awarded under this*
10 *subsection.*

11 (8) *SUPPLEMENT, NOT SUPPLANT.—Amounts*
12 *awarded under this subsection to implementing orga-*
13 *nizations shall supplement, not supplant, other Fed-*
14 *eral, State, Tribal, and local funds made available to*
15 *those entities.*

16 (9) *STREAMLINING PROGRAM DELIVERY AND EN-*
17 *SURING EFFICIENCY.—To the extent possible, in car-*
18 *rying out the pilot program under this subsection, the*
19 *Secretary shall—*

20 *(A) endeavor to improve efficiency of service*
21 *delivery, as well as the experience of and impact*
22 *on the taxpayer, by encouraging programmatic*
23 *collaboration and information sharing across*
24 *Federal, State, Tribal, and local programs for*
25 *home repair or improvement, including pro-*

1 *grams administered by the Department of Agri-*
2 *culture, the Department of the Interior, the De-*
3 *partment of Veterans Affairs, or the Department*
4 *of Energy; and*

5 *(B) enhance collaboration and cross-agency*
6 *streamlining efforts that reduce the burden of*
7 *multiple income verification processes and appli-*
8 *cations on the eligible homeowner, the eligible*
9 *landlord, the implementing organization, and*
10 *the Federal Government, including by estab-*
11 *lishing assistance application procedures for in-*
12 *come eligibility under this subsection that recog-*
13 *nize income eligibility determinations for assist-*
14 *ance using any of the criteria under subsection*
15 *(a)(3)(A) that have been used for assistance ap-*
16 *plications during the 1-year period preceding the*
17 *date on which an eligible homeowner or eligible*
18 *landlord applies for assistance under this sub-*
19 *section.*

20 *(10) REPORTING REQUIREMENTS.—*

21 *(A) ANNUAL REPORT.—An implementing*
22 *organization that receives a grant under this*
23 *subsection shall submit to the Secretary an an-*
24 *nual report on initial funding that includes—*

1 (i) *the number of units served, includ-*
2 *ing reporting on both homeownership and*
3 *rental units, as well as accessible units;*

4 (ii) *the average cost per unit for modi-*
5 *fications or repairs and the nature of those*
6 *modifications or repairs, including report-*
7 *ing on accessibility in both homeownership*
8 *and rental units;*

9 (iii) *the number of applications re-*
10 *ceived, served, denied, or not completed,*
11 *disaggregated by geographic area;*

12 (iv) *the aggregated demographic data*
13 *of grant recipients, which may include data*
14 *on income range, urban, suburban, and*
15 *rural residency, age, and racial and ethnic*
16 *identity;*

17 (v) *the aggregated demographic data of*
18 *loan recipients, which may include data on*
19 *income range, urban, suburban, and rural*
20 *residency, age, and racial and ethnic iden-*
21 *tity;*

22 (vi) *an affirmation that the implemen-*
23 *tation organization has complied with the*
24 *applicable regulations, including compli-*

1 *ance with Federal accessibility require-*
2 *ments;*

3 *(vii) in the first year of receiving a*
4 *grant, and as certified in subsequent re-*
5 *ports, a comprehensive plan to prevent*
6 *waste, fraud, and abuse in the administra-*
7 *tion of the pilot program, which shall in-*
8 *clude, at a minimum—*

9 *(I) a policy enacted and enforced*
10 *by the implementing organization to*
11 *monitor ongoing expenditures under*
12 *this subsection and ensure compliance*
13 *with applicable regulations;*

14 *(II) a policy enacted and enforced*
15 *by the implementing organization to*
16 *detect and deter fraudulent activity,*
17 *including fraud occurring in indi-*
18 *vidual projects and patterns of fraud*
19 *by parties involved in the expenditure*
20 *of funds under this subsection;*

21 *(III) a statement setting forth any*
22 *violations detected by the implementing*
23 *organization during the previous cal-*
24 *endar year, including details about*

1 *steps taken to achieve compliance and*
2 *any remedial measures; and*

3 *(IV) a certification by the chief*
4 *executive or most senior compliance of-*
5 *ficer of the organization that the orga-*
6 *nization maintains sufficient staff and*
7 *resources to effectively carry out the*
8 *above-mentioned policies; and*

9 *(viii) such other information as the*
10 *Secretary may require.*

11 *(B) REPORTING REQUIREMENT ALIGN-*
12 *MENT.—To limit the costs of implementing the*
13 *pilot program under this subsection, the Sec-*
14 *retary shall endeavor, to the extent possible, to*
15 *structure reporting requirements such that they*
16 *align with the data reporting requirements in*
17 *place for funding streams that implementing or-*
18 *ganizations are likely to use together with fund-*
19 *ing from this subsection, including the reporting*
20 *requirements under—*

21 *(i) the Community Development Block*
22 *Grant program under title I of the Housing*
23 *and Community Development Act of 1974*
24 *(42 U.S.C. 5301 et seq.);*

1 (ii) the HOME Investment Partner-
2 ships program under subtitle A of title II of
3 the Cranston-Gonzalez National Affordable
4 Housing Act (42 U.S.C. 12741 et seq.);

5 (iii) the Weatherization Assistance
6 Program for low-income persons established
7 under part A of title IV of the Energy Con-
8 servation and Production Act (42 U.S.C.
9 6861 et seq.); and

10 (iv) the Native American Housing As-
11 sistance and Self-Determination Act of 1996
12 (25 U.S.C. 4101 et seq.).

13 (C) PILOT PROGRAM PERIOD REPORTS.—
14 Not less frequently than twice during the period
15 in which the pilot program established under
16 this subsection operates, the Office of Inspector
17 General of the Department of Housing and
18 Urban Development shall complete an assessment
19 of the implementation of measures to ensure the
20 fair and legitimate use of the pilot program.

21 (D) SUMMARY TO CONGRESS.—The Sec-
22 retary shall submit to the Committee on Bank-
23 ing, Housing, and Urban Affairs of the Senate
24 and the Committee on Financial Services of the
25 House of Representatives an annual report pro-

1 *viding a summary of the data provided under*
2 *subparagraphs (A) and (C) during the 1-year*
3 *period preceding the report and all data pre-*
4 *viously provided under those subparagraphs.*

5 (11) *ENVIRONMENTAL REVIEW.*—*A grant under*
6 *this subsection shall be—*

7 (A) *treated as assistance for a special*
8 *project for purposes of section 305(c) of the Mul-*
9 *tifamily Housing Property Disposition Reform*
10 *Act of 1994 (42 U.S.C. 3547); and*

11 (B) *subject to the regulations promulgated*
12 *by the Secretary to implement such section.*

13 (12) *TERMINATION.*—*The pilot program estab-*
14 *lished under this subsection shall terminate on Octo-*
15 *ber 1, 2031.*

16 **SEC. 204. COMMUNITY INVESTMENT AND PROSPERITY ACT.**

17 (a) *REVISED STATUTES.*—*The paragraph designated*
18 *as the “Eleventh” of section 5136 of the Revised Statutes*
19 *of the United States (12 U.S.C. 24) is amended, in the fifth*
20 *sentence, by striking “15” each place the term appears and*
21 *inserting “20”.*

22 (b) *FEDERAL RESERVE ACT.*—*Section 9(23) of the*
23 *Federal Reserve Act (12 U.S.C. 338a) is amended, in the*
24 *fifth sentence, by striking “15” each place the term appears*
25 *and inserting “20”.*

1 **SEC. 205. BUILD NOW ACT.**

2 (a) *DEFINITIONS.—In this section:*

3 (1) *COVERED RECIPIENT.—The term “covered re-*
4 *ipient” means a metropolitan city or urban county,*
5 *as those terms are defined in section 102 of the Hous-*
6 *ing and Community Development Act of 1974 (42*
7 *U.S.C. 5302), that receives funds under section 106.*

8 (2) *CURRENT ANNUAL GROWTH RATE.—The term*
9 *“current annual growth rate”, with respect to an eli-*
10 *gible recipient and a fiscal year, means the average*
11 *annual percentage increase in the number of housing*
12 *units in the jurisdiction of the eligible recipient, as*
13 *calculated by the Secretary, during the period—*

14 (A) *beginning with the third quarter of the*
15 *sixth preceding fiscal year; and*

16 (B) *ending with the third quarter of the*
17 *preceding fiscal year.*

18 (3) *ELIGIBLE RECIPIENT.—The term “eligible re-*
19 *ipient” means any covered recipient unless—*

20 (A)(i) *the median Small Area Fair Market*
21 *Rent in the jurisdiction of the covered recipient*
22 *is at or below the 60th percentile of median*
23 *Small Area Fair Market Rents in the jurisdic-*
24 *tions of all covered recipients; and*

1 (ii) the median home value in the jurisdic-
2 tion of the covered recipient is below the median
3 home value for the United States;

4 (B) the annual rental vacancy rate in the
5 jurisdiction of the covered recipient is greater
6 than the national annual rental vacancy rate for
7 the most recent year available, as published by
8 the Bureau of the Census;

9 (C) during the 1-year period preceding the
10 date on which the Secretary allocates funds
11 under section 106, the jurisdiction of the covered
12 recipient has been the subject of a major disaster
13 or emergency declaration under section 401 or
14 501, respectively, of the Robert T. Stafford Dis-
15 aster Relief and Emergency Assistance Act (42
16 U.S.C. 5170, 5191); or

17 (D) the covered recipient lacks the legal au-
18 thority to enact or update zoning and permitting
19 ordinances.

20 (4) *EXTREMELY HIGH-GROWTH RECIPIENT.*—The
21 term “extremely high-growth recipient” means an eli-
22 gible recipient for which the current annual growth
23 rate is at or above 4 percent.

24 (5) *HOUSING GROWTH IMPROVEMENT RATE.*—
25 The term “housing growth improvement rate”, with

1 *respect to an eligible recipient and a fiscal year,*
2 *means the quotient of—*

3 *(A)(i) the current annual growth rate of the*
4 *eligible recipient, minus*

5 *(ii) the prior annual growth rate of the eli-*
6 *gible recipient; and*

7 *(B) the sum obtained by adding the absolute*
8 *values of the current annual growth rate and the*
9 *prior annual growth rate of the eligible recipient.*

10 (6) *PRIOR ANNUAL GROWTH RATE.*—*The term*
11 *“prior annual growth rate”, with respect to an eligi-*
12 *ble recipient and a fiscal year, means the average an-*
13 *nuual percentage increase in the number of housing*
14 *units in the jurisdiction of the eligible recipient, as*
15 *calculated by the Secretary, during the period—*

16 *(A) beginning with the third quarter of the*
17 *11th preceding fiscal year; and*

18 *(B) ending with the third quarter of the*
19 *sixth preceding fiscal year.*

20 (7) *SECRETARY.*—*The term “Secretary” means*
21 *the Secretary of Housing and Urban Development.*

22 (8) *SECTION 106.*—*The term “section 106” means*
23 *section 106 of the Housing and Community Develop-*
24 *ment Act of 1974 (42 U.S.C. 5306).*

1 **(b) ADJUSTMENTS TO COMMUNITY DEVELOPMENT**
2 **BLOCK GRANT ALLOCATIONS.—**

3 **(1) IN GENERAL.—***In allocating amounts to an*
4 *eligible recipient under section 106 for a fiscal year,*
5 *the Secretary shall adjust the allocation based on the*
6 *housing growth improvement rate of the eligible re-*
7 *recipient, in accordance with paragraph (2) of this sub-*
8 *section.*

9 **(2) ADJUSTMENTS.—**

10 **(A) HOUSING GROWTH IMPROVEMENT RATE**
11 **AT OR ABOVE MEDIAN; EXTREMELY HIGH-**
12 **GROWTH RECIPIENTS.—**

13 **(i) IN GENERAL.—***If, with respect to a*
14 *fiscal year for which the allocation under*
15 *section 106 is being determined, the housing*
16 *growth improvement rate for an eligible re-*
17 *recipient is at or above the median housing*
18 *growth improvement rate for all eligible re-*
19 *ipients other than extremely high-growth*
20 *recipients, or if an eligible recipient is an*
21 *extremely high-growth recipient, the Sec-*
22 *retary shall allocate to the eligible recipient*
23 *for that fiscal year, in addition to the*
24 *amount that would otherwise be allocated to*
25 *the eligible recipient under section 106, a*

1 *bonus amount, as determined under clause*
2 *(ii) of this subparagraph.*

3 *(ii) BONUS AMOUNT.—For purposes of*
4 *clause (i), the bonus amount for an eligible*
5 *recipient for a fiscal year shall be equal to*
6 *the product of—*

7 *(I) the aggregate amount by*
8 *which allocations to eligible recipients*
9 *are decreased under subparagraph (B)*
10 *for that fiscal year; and*

11 *(II) the quotient of—*

12 *(aa) the number of housing*
13 *units, as of the third quarter of*
14 *the preceding fiscal year, in the*
15 *jurisdiction of the eligible recipi-*
16 *ent, as calculated by the Sec-*
17 *retary; and*

18 *(bb) the number of housing*
19 *units, as of the third quarter of*
20 *the preceding fiscal year, in the*
21 *jurisdictions of all eligible recipi-*
22 *ents that receive a bonus amount*
23 *under this paragraph, as cal-*
24 *culated by the Secretary.*

1 (B) *HOUSING GROWTH IMPROVEMENT RATE*
2 *BELOW MEDIAN.*—*If, with respect to a fiscal year*
3 *for which the allocation under section 106 is*
4 *being determined, the housing growth improve-*
5 *ment rate for an eligible recipient is below the*
6 *median housing growth improvement rate for all*
7 *eligible recipients other than high-growth*
8 *outliers, the Secretary shall decrease the amount*
9 *that would otherwise be allocated to the eligible*
10 *recipient under section 106 for that fiscal year*
11 *by 10 percent.*

12 (c) *CALCULATION OF HOUSING UNITS.*—

13 (1) *HOUSING AND URBAN DEVELOPMENT RE-*
14 *QUIREMENTS.*—*In calculating the number of housing*
15 *units in the jurisdiction of an eligible recipient under*
16 *any provision of this section, the Secretary shall—*

17 (A) *use the Current Address Count Listing*
18 *Files and other data products, as needed, of the*
19 *Bureau of the Census tabulated from the Master*
20 *Address File; and*

21 (B) *make calculations at the block level,*
22 *using boundaries that reflect the most current*
23 *boundaries.*

24 (2) *CENSUS BUREAU AND POSTAL SERVICE RE-*
25 *QUIREMENTS.*—*The Bureau of the Census and the*

1 *United States Postal Service shall provide any rel-*
2 *evant data to the Secretary upon request to assist the*
3 *Secretary in making a calculation described in para-*
4 *graph (1).*

5 (3) *ADJUSTMENT OF CALCULATION PERIODS.—*

6 *The Secretary may adjust the calculation periods*
7 *under subparagraphs (A) and (B) of subsection*
8 *(a)(2), subparagraphs (A) and (B) of subsection*
9 *(a)(6), and items (aa) and (bb) of subsection*
10 *(b)(2)(A)(ii)(II) by not more than 2 months to*
11 *achieve alignment with the data provided by the Bu-*
12 *reau of the Census.*

13 (d) *ANNUAL REPORT ON HOUSING GROWTH IMPROVE-*
14 *MENT RATE.—Before allocating funds under section 106 for*
15 *a fiscal year, the Secretary shall publish a report that—*

16 (1) *includes the housing growth improvement*
17 *rate for each eligible recipient; and*

18 (2) *lists, for the most recent fiscal year for which*
19 *allocations were made under section 106—*

20 (A) *the eligible recipients that received a*
21 *bonus amount under subsection (b)(2)(A); and*

22 (B) *the eligible recipients for which the allo-*
23 *cation under section 106 was decreased under*
24 *subsection (b)(2)(B) of this section.*

25 (e) *NOTIFICATION; IMPLEMENTATION DATES.—*

1 (1) *NOTIFICATION.*—

2 (A) *IN GENERAL.*—*Not later than 60 days*
3 *after the date of enactment of this Act, the Sec-*
4 *retary shall notify each eligible recipient of the*
5 *recipient’s housing growth improvement rate and*
6 *whether that housing growth improvement rate is*
7 *above, at, or below the median housing growth*
8 *improvement rate for all eligible recipients other*
9 *than extremely high-growth recipients.*

10 (B) *GUIDANCE.*—*As part of the notification*
11 *under subparagraph (A), the Secretary shall*
12 *share guidance, including resources developed by*
13 *the Department of Housing and Urban Develop-*
14 *ment, on best practices and recommendations for*
15 *policies to reduce regulatory barriers to housing*
16 *and increase housing supply.*

17 (2) *IMPLEMENTATION DATES.*—*Subsection (b)*
18 *shall take effect beginning with the third full fiscal*
19 *year after the date of enactment of this Act and re-*
20 *main in effect through fiscal year 2043.*

21 (3) *NO EFFECT ON PREVIOUS APPROPRIA-*
22 *TIONS.*—*This section shall not apply to amounts ap-*
23 *propriated before the date of enactment of this Act.*

1 **SEC. 206. ADDITION OF AFFORDABLE HOUSING CONSTRUC-**
2 **TION AS AN ELIGIBLE ACTIVITY.**

3 (a) *ELIGIBLE ACTIVITY.*—Section 105(a) of the Hous-
4 *ing and Community Development Act of 1974 (42 U.S.C.*
5 *5305(a)) is amended—*

6 (1) *in paragraph (25)(D), by striking “and” at*
7 *the end;*

8 (2) *in paragraph (26), by striking the period at*
9 *the end and inserting “; and”; and*

10 (3) *by adding at the end the following:*

11 “(27) *the new construction of affordable housing,*
12 *within the meaning given such term under section*
13 *215 of the Cranston-Gonzalez National Affordable*
14 *Housing Act (42 U.S.C. 12745), and which shall not*
15 *exceed 20 percent of the amounts allocated to the re-*
16 *cipient.”.*

17 (b) *LOW- AND MODERATE-INCOME REQUIREMENT.*—
18 *Section 105(c)(3) of the Housing and Community Develop-*
19 *ment Act of 1974 (42 U.S.C. 5305(c)(3)) is amended by*
20 *striking “or rehabilitation” and inserting “, rehabilitation,*
21 *or new construction”.*

22 (c) *APPLICABILITY.*—*The amendments made by this*
23 *section shall apply with respect only to amounts appro-*
24 *priated after the date of enactment of this Act.*

1 **SEC. 207. BETTER USE OF INTERGOVERNMENTAL AND**
2 **LOCAL DEVELOPMENT (BUILD) HOUSING ACT.**

3 (a) *DESIGNATION OF ENVIRONMENTAL REVIEW PRO-*
4 *CEDURE.—The Department of Housing and Urban Devel-*
5 *opment Act (42 U.S.C. 3531 et seq.) is amended by insert-*
6 *ing after section 12 (42 U.S.C. 3537a) the following:*

7 **“SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PRO-**
8 **CEDURE.**

9 “(a) *IN GENERAL.—Except as provided in subsection*
10 *(b), the Secretary may, for purposes of environmental re-*
11 *view, decision making, and action pursuant to the National*
12 *Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.),*
13 *and other provisions of law that further the purposes of such*
14 *Act, designate the treatment of assistance administered by*
15 *the Secretary as funds for a special project for purposes of*
16 *section 305(c) of the Multifamily Housing Property Dis-*
17 *position Reform Act of 1994 (42 U.S.C. 3547).*

18 “(b) *EXCEPTION.—The designation described in sub-*
19 *section (a) shall not apply to assistance for which a proce-*
20 *dure for carrying out the responsibilities of the Secretary*
21 *under the National Environmental Policy Act of 1969 (42*
22 *U.S.C. 4321 et seq.), and other provisions of law that fur-*
23 *ther the purposes of such Act, is otherwise specified in law.”.*

24 (b) *TRIBAL ASSUMPTION OF ENVIRONMENTAL REVIEW*
25 *OBLIGATIONS.—Section 305(c) of the Multifamily Housing*

1 *Property Disposition Reform Act of 1994 (42 U.S.C. 3547)*
2 *is amended—*

3 (1) *by striking “State or unit of general local*
4 *government” each place it appears and inserting*
5 *“State, Indian tribe, or unit of general local govern-*
6 *ment”;*

7 (2) *in paragraph (1)(C), in the heading, by*
8 *striking “STATE OR UNIT OF GENERAL LOCAL GOV-*
9 *ERNMENT” and inserting “STATE, INDIAN TRIBE, OR*
10 *UNIT OF GENERAL LOCAL GOVERNMENT”;* and

11 (3) *by adding at the end the following:*

12 “*(5) DEFINITION OF INDIAN TRIBE.—For pur-*
13 *poses of this subsection, the term ‘Indian tribe’ means*
14 *a federally recognized tribe, as defined in section*
15 *4(13)(B) of the Native American Housing Assistance*
16 *and Self-Determination Act of 1996 (25 U.S.C.*
17 *4103(13)(B)).”.*

18 (c) *IMPLEMENTATION.—*

19 (1) *IN GENERAL.—Except as provided in para-*
20 *graph (2), a designation of assistance under section*
21 *13 of the Department of Housing and Urban Develop-*
22 *ment Act, as added by subsection (a), shall only*
23 *apply with respect to funds appropriated after the*
24 *date of enactment of this Act.*

1 (2) *EXCEPTION.*—*If a grantee of assistance ad-*
2 *ministered by the Secretary of Housing and Urban*
3 *Development combines funds appropriated before and*
4 *after the date of enactment of this Act to carry out*
5 *a project, section 13 of the Department of and Urban*
6 *Development Act, as added by subsection (a), shall*
7 *not apply to that assistance.*

8 **SEC. 208. UNLOCKING HOUSING SUPPLY THROUGH**
9 **STREAMLINED AND MODERNIZED REVIEWS**
10 **ACT.**

11 (a) *DEFINITIONS.*—*In this section:*

12 (1) *INFILL PROJECT.*—*The term “infill project”*
13 *means a project that—*

14 (A) *occurs within the geographic limits of a*
15 *municipality;*

16 (B) *is adequately served by existing utilities*
17 *and public services as required under applicable*
18 *law;*

19 (C) *is located on a site of previously dis-*
20 *turbed land of not more than 5 acres and sub-*
21 *stantially surrounded by residential or commer-*
22 *cial development;*

23 (D) *will repurpose a vacant or underuti-*
24 *lized parcel of land, or a dilapidated or aban-*
25 *doned structure; and*

1 (E) will serve a residential or commercial
2 purpose.

3 (2) SECRETARY.—The term “Secretary” means
4 the Secretary of Housing and Urban Development.

5 (b) NEPA STREAMLINING FOR HUD HOUSING-RE-
6 LATED ACTIVITIES.—

7 (1) IN GENERAL.—The Secretary shall, in ac-
8 cordance with section 553 of title 5, United States
9 Code, and section 103 of the National Environmental
10 Policy Act of 1969 (42 U.S.C. 4333), expand and re-
11 classify housing-related activities under the necessary
12 administrative regulations as follows:

13 (A) The following housing-related activities
14 shall be subject to regulations equivalent or sub-
15 stantially similar to the regulations entitled “ex-
16 empt activities” as set forth in section 58.34 of
17 title 24, Code of Federal Regulations, as in effect
18 on January 1, 2025:

19 (i) Tenant-based rental assistance.

20 (ii) Supportive services, including
21 health care, housing services, permanent
22 housing placement, day care, nutritional
23 services, short-term payments for rent,
24 mortgage, or utility costs, and assistance in
25 gaining access to Federal Government and

1 *State and local government benefits and*
2 *services.*

3 (iii) *Operating costs, including main-*
4 *tenance, security, operation, utilities, fur-*
5 *nishings, equipment, supplies, staff train-*
6 *ing, and recruitment and other incidental*
7 *costs.*

8 (iv) *Economic development activities,*
9 *including equipment purchases, inventory*
10 *financing, interest subsidies, operating ex-*
11 *penditures, and similar costs not associated*
12 *with construction or expansion of existing*
13 *operations.*

14 (v) *Activities to assist homebuyers in*
15 *the purchase of existing dwelling units or*
16 *dwelling units under construction, includ-*
17 *ing closing costs and down payment assist-*
18 *ance, interest rate buydowns, and similar*
19 *activities that result in the transfer of title.*

20 (vi) *Affordable housing pre-develop-*
21 *ment costs related to obtaining site options,*
22 *project financing, administrative costs and*
23 *fees for loan commitment, zoning approvals,*
24 *and other related activities that do not have*
25 *a physical impact.*

1 (vii) *Approval of supplemental assist-*
2 *ance, including insurance or guarantee, to a*
3 *project previously approved by the Sec-*
4 *retary.*

5 (viii) *Emergency homeowner or renter*
6 *assistance for the repair or replacement of*
7 *HVAC, hot water heaters, and other nec-*
8 *essary existing utilities required under ap-*
9 *plicable law.*

10 (B) *The following housing-related activities*
11 *shall be subject to regulations equivalent or sub-*
12 *stantially similar to the regulations entitled, (i)*
13 *“categorical exclusions not subject to section*
14 *58.5” and (ii) “categorical exclusions not subject*
15 *to the Federal laws and authorities cited in sec-*
16 *tion 50.4” in section 58.35(b) and section 50.19,*
17 *respectively of title 24, Code of Federal Regula-*
18 *tions, as in effect on January 1, 2025, if such*
19 *activities do not materially alter environmental*
20 *conditions and do not materially exceed the*
21 *original scope of the project:*

22 (i) *Acquisition, repair, improvement,*
23 *reconstruction, or rehabilitation of public*
24 *facilities and improvements (other than*
25 *buildings) if the facilities and improve-*

1 *ments are in place and will be retained in*
2 *the same use without change in size or ca-*
3 *capacity of more than 20 percent, including*
4 *replacement of water or sewer lines, recon-*
5 *struction of curbs and sidewalks, and re-*
6 *paving of streets.*

7 *(ii) Rehabilitation of 1-to-4 unit resi-*
8 *dential buildings, and existing housing-re-*
9 *lated infrastructure, such as repairs or re-*
10 *habilitation of existing wells, septic, or*
11 *utility lines that connect to that housing.*

12 *(iii) New construction, development,*
13 *demolition, acquisition, or disposition of up*
14 *to 4 scattered site existing dwelling units*
15 *where there is a maximum of 4 units on*
16 *any 1 site.*

17 *(iv) Acquisitions (including leasing) of,*
18 *disposition of, or equity loans on an exist-*
19 *ing structure, or acquisition (including*
20 *leasing) of vacant land if the structure or*
21 *land acquired, financed, or disposed of will*
22 *be retained for the same use.*

23 *(C) The following housing-related activities*
24 *shall be subject to regulations equivalent or sub-*
25 *stantially similar to the regulations entitled, (i)*

1 *“categorical exclusions subject to section 58.5”*
2 *and (ii) “categorical exclusions subject to the*
3 *Federal laws and authorities cited in section*
4 *50.4” in section 58.35(a) and section 50.20, re-*
5 *spectively, of title 24, Code of Federal Regula-*
6 *tions, as in effect on January 1, 2025, if such*
7 *activities do not materially alter environmental*
8 *conditions and do not materially exceed the*
9 *original scope of the project:*

10 *(i) Acquisitions of open space or resi-*
11 *dential property, where such property will*
12 *be retained for the same use or will be con-*
13 *verted to open space to help residents relo-*
14 *cate out of an area designated as a high-*
15 *risk area by the Secretary.*

16 *(ii) Conversion of existing office build-*
17 *ings into residential development, subject*
18 *to—*

19 *(I) a maximum number of units*
20 *to be determined by the Secretary; and*

21 *(II) a limitation on the change in*
22 *building size of not more than 20 per-*
23 *cent.*

24 *(iii) New construction, development,*
25 *demolition, acquisition, or disposition of 5*

1 to 15 dwelling units where there is a max-
2 imum of 15 units on any 1 site. The units
3 can be 15 1-unit buildings or 1 15-unit
4 building, or any combination in between.

5 (iv) New construction, development,
6 demolition, acquisition, or disposition of 15
7 or more housing units developed on scat-
8 tered sites when there are not more than 15
9 housing units on any 1 site, and the sites
10 are more than a set number of feet apart as
11 determined by the Secretary.

12 (v) Rehabilitation of buildings and im-
13 provements in the case of a building for res-
14 idential use with 5 to 15 units, if the den-
15 sity is not increased beyond 15 units and
16 the land use is not changed.

17 (vi) Infill projects consisting of new
18 construction, rehabilitation, or development
19 of residential housing units.

20 (vii) The voluntary acquisition of
21 properties—

22 (I) located in—

23 (aa) a floodway;

24 (bb) a floodplain; or

1 (cc) any other area, clearly
2 delineated by the grantee; and
3 (II) that have been impacted by a
4 predictable environmental threat to the
5 safety and well-being of program bene-
6 ficiaries caused or exacerbated by a
7 federally declared disaster.

8 (c) *IMPLEMENTATION.*—For purposes of implementing
9 the streamlining of environmental review for housing-re-
10 lated activities under subsection (b), the agency actions car-
11 ried out under that subsection—

12 (1) shall only apply with respect to funds appro-
13 priated after the effective date of those actions; and

14 (2) shall not apply with respect to a grantee that
15 combines funds appropriated before and after the ef-
16 fective date of those actions to carry out a project.

17 (d) *REPORT.*—The Secretary shall submit to the Com-
18 mittee on Banking, Housing, and Urban Affairs of the Sen-
19 ate and the Committee on Financial Services of the House
20 of Representatives an annual report during the 5-year pe-
21 riod beginning on the date that is 2 years after the date
22 of enactment of this Act that provides a summary of find-
23 ings of reductions in review times and administrative cost
24 reduction, with a particular focus on the affordable housing
25 sector, as a result of the actions set forth in this section,

1 *and any recommendations of the Secretary for future con-*
2 *gressional action with respect to revising categorical exclu-*
3 *sions or exemptions under title 24, Code of Federal Regula-*
4 *tions.*

5 **SEC. 209. GRANTS FOR PLANNING AND IMPLEMENTATION**
6 **ASSOCIATED WITH AFFORDABLE HOUSING.**

7 (a) *DEFINITIONS.—In this section:*

8 (1) *ELIGIBLE ENTITY.—The term “eligible enti-*
9 *ty” means—*

10 (A) *a State, insular area, metropolitan city,*
11 *or urban county, as those terms are defined in*
12 *section 102 of the Housing and Community De-*
13 *velopment Act of 1974 (42 U.S.C. 5302); or*

14 (B) *a regional planning agency or consortia*
15 *of regional planning agencies.*

16 (2) *HOUSING PLAN.—The term “housing plan”*
17 *means a plan to, with respect to an area within the*
18 *jurisdiction of an eligible entity—*

19 (A) *increase the amount of available hous-*
20 *ing to meet the demand for such housing and*
21 *any projected increase in the demand for such*
22 *housing;*

23 (B) *increase the affordability of housing;*

1 (C) increase the accessibility of housing for
2 people with disabilities, including location-effi-
3 cient housing;

4 (D) preserve or improve the quality of hous-
5 ing;

6 (E) reduce barriers to housing development;
7 and

8 (F) coordinate with transportation-related
9 agencies.

10 (3) *HOUSING STRATEGY.*—The term “housing
11 strategy” means a housing strategy required under
12 section 105 of the Cranston-Gonzalez National Afford-
13 able Housing Act (42 U.S.C. 12705).

14 (4) *SECRETARY.*—The term “Secretary” means
15 the Secretary of Housing and Urban Development.

16 (b) *ESTABLISHMENT.*—Not later than 1 year after the
17 date of enactment of this Act, the Secretary shall establish
18 a program to award grants on a competitive basis to eligi-
19 ble entities to assist planning and implementation activi-
20 ties associated with affordable housing, except that such
21 grant awards may not be used for construction, alteration,
22 or repair work.

23 (c) *USE OF AMOUNTS.*—

24 (1) *BY REGIONAL PLANNING AGENCIES.*—If an
25 eligible entity that receives amounts under this sec-

1 *tion is an eligible entity described in subsection*
2 *(a)(1)(B), the eligible entity shall use those amounts*
3 *to assist planning activities with respect to affordable*
4 *housing, including—*

5 *(A) the development of housing plans;*

6 *(B) the substantial improvement of State or*
7 *local housing strategies;*

8 *(C) the development of new regulatory re-*
9 *quirements and processes;*

10 *(D) updating zoning codes;*

11 *(E) increasing the capacity to conduct hous-*
12 *ing inspections;*

13 *(F) increasing the capacity to reduce bar-*
14 *riers to housing supply elasticity and housing*
15 *affordability;*

16 *(G) the development of local or regional*
17 *plans for community development; and*

18 *(H) the substantial improvement of commu-*
19 *nity development strategies, including strategies*
20 *designed to—*

21 *(i) increase the availability of afford-*
22 *able housing and access to affordable hous-*
23 *ing;*

24 *(ii) increase access to public transpor-*
25 *tation; and*

1 (iii) *advance sustainable or location-ef-*
2 *ficient community development goals.*

3 (2) *BY STATES, INSULAR AREAS, METROPOLITAN*
4 *CITIES, AND URBAN COUNTIES.—If an eligible entity*
5 *that receives amounts under this section is an eligible*
6 *entity described in subsection (a)(1)(A), the eligible*
7 *entity shall use those amounts to—*

8 (A) *implement and administer housing*
9 *strategies and housing plans;*

10 (B) *implement and administer any plans to*
11 *increase housing choice, address disparities in*
12 *housing needs, and provide greater access to op-*
13 *portunity;*

14 (C) *fund any community investments that*
15 *support goals identified in a housing strategy or*
16 *housing plan;*

17 (D) *implement and administer regulatory*
18 *requirements and processes with respect to re-*
19 *formed zoning codes;*

20 (E) *increase the capacity to conduct hous-*
21 *ing inspections;*

22 (F) *increase the capacity to reduce barriers*
23 *to housing supply elasticity and housing afford-*
24 *ability;*

1 (G) *implement and administer local or re-*
2 *gional plans for community development; and*

3 (H) *fund any planning to increase—*

4 (i) *the availability of affordable hous-*
5 *ing and access to affordable housing;*

6 (ii) *access to public transportation;*
7 *and*

8 (iii) *any location-efficient community*
9 *development goals.*

10 (3) *USE FOR ADMINISTRATIVE COSTS.—A eligible*
11 *entity that receives amounts under this section may*
12 *not use more than 10 percent of those amounts for ad-*
13 *ministrative costs.*

14 (d) *COORDINATION.—To the extent practicable, the*
15 *Secretary shall coordinate with the Administrator of the*
16 *Federal Transit Administration in carrying out this sec-*
17 *tion.*

18 (e) *EXPIRATION OF AUTHORITY.—After the expiration*
19 *of the 5-year period beginning on the date of enactment of*
20 *this Act, the Secretary may not newly establish a program*
21 *as described in this section.*

22 (f) *SUNSET.—The program established under this sec-*
23 *tion shall terminate on the date that is 5 years after the*
24 *date of enactment of this Act.*

1 **SEC. 210. INNOVATION FUND.**

2 (a) *DEFINITIONS.—In this section:*

3 (1) *ATTAINABLE HOUSING.—The term “attain-*
4 *able housing” means housing that serves households*
5 *earning not more than 120 percent of the area me-*
6 *dian income, if the majority of the housing units are*
7 *affordable to households earning not more than 60*
8 *percent of the area median income.*

9 (2) *ELIGIBLE ENTITY.—The term “eligible enti-*
10 *ty” means—*

11 (A) *a metropolitan city or urban county, as*
12 *those terms are defined in section 102 of the*
13 *Housing and Community Development Act of*
14 *1974 (42 U.S.C. 5302), that has demonstrated*
15 *an objective improvement in housing supply*
16 *growth, as determined by the Secretary, whose*
17 *methodology for determining such growth is pub-*
18 *lished in the Federal Register to allow for public*
19 *comment not less than 90 days before the date on*
20 *which the notice of funding opportunity is made*
21 *available; or*

22 (B) *a unit of general local government or*
23 *an Indian tribe, as those terms are defined in*
24 *section 102 of the Housing and Community De-*
25 *velopment Act of 1974 (42 U.S.C. 5302), that*
26 *has demonstrated an objective improvement in*

1 *housing supply growth, as determined by the*
2 *Secretary, whose methodology for determining*
3 *such improvement is published in the Federal*
4 *Register to allow for public comment not less*
5 *than 90 days before the date on which the notice*
6 *of funding opportunity is made available.*

7 (3) *SECRETARY.*—*The term “Secretary” means*
8 *the Secretary of Housing and Urban Development.*

9 (b) *ESTABLISHMENT OF A GRANT PROGRAM.*—

10 (1) *ESTABLISHMENT.*—*Not later than 1 year*
11 *after the date of enactment of this Act, the Secretary*
12 *shall establish a program to award grants on a com-*
13 *petitive basis to eligible entities that have increased*
14 *their local housing supply.*

15 (2) *LIST OF ELIGIBLE ENTITIES.*—*The Secretary*
16 *shall make a list of eligible entities publicly available*
17 *on the website of the Department of Housing and*
18 *Urban Development.*

19 (3) *ELIGIBLE PURPOSES.*—*An eligible entity re-*
20 *ceiving a grant under this section may use funds to—*

21 (A) *carry out any of the activities described*
22 *in section 105 of the Housing and Community*
23 *Development Act of 1974 (42 U.S.C. 5305);*

24 (B) *carry out any of the activities per-*
25 *mitted under the Local and Regional Project As-*

1 *sistance Program established under section 6702*
2 *of title 49, United States Code; and*

3 *(C) carry out initiatives of the eligible enti-*
4 *ty that facilitate the expansion of the supply of*
5 *attainable housing and that supplement initia-*
6 *tives the eligible entity has carried out, or is in*
7 *the process of carrying out, as specified in the*
8 *application submitted under paragraph (4).*

9 *(4) APPLICATION.—*

10 *(A) IN GENERAL.—An eligible entity seek-*
11 *ing a grant under this section shall submit to the*
12 *Secretary an application that provides—*

13 *(i) a description of each purpose for*
14 *which the eligible entity will use the grant,*
15 *and an attestation that the grant will be*
16 *used only for 1 or more eligible purposes de-*
17 *scribed in paragraph (3);*

18 *(ii) data on characteristics of increased*
19 *housing supply during the 3-year period*
20 *ending on the date on which the application*
21 *is submitted, which may include whether*
22 *such housing—*

23 *(I) serves households at a range of*
24 *income levels; and*

1 (II) has improved the quality and
2 affordability of housing in the jurisdic-
3 tion of the eligible entity;

4 (iii) a description of how each eligible
5 purpose described in clause (i) may address
6 a community need or advance an objective,
7 or an aspect of an objective, included in the
8 comprehensive housing affordability strat-
9 egy and community development plan of the
10 eligible entity under part 91 of title 24,
11 Code of Federal Regulations, or any suc-
12 cessor regulation (commonly referred to as a
13 “consolidated plan”); and

14 (iv) a description of how the eligible
15 entity has carried out, or is in the process
16 of carrying out, initiatives that facilitate
17 the expansion of the supply of housing.

18 (B) INITIATIVES.—Initiatives that meet the
19 criteria described in paragraph (3)(D) include,
20 but shall not be limited to—

21 (i) increasing by-right uses, including
22 duplex, triplex, quadplex, and multifamily
23 buildings, in areas of opportunity;

1 (ii) revising or eliminating off-street
2 parking requirements to reduce the cost of
3 housing production;

4 (iii) revising minimum lot size re-
5 quirements, floor area ratio requirements,
6 set-back requirements, building heights, and
7 bans or limits on construction that allow
8 for denser and more affordable development;

9 (iv) instituting incentives to promote
10 dense development for communities where
11 increased density is needed;

12 (v) passing zoning overlays or other or-
13 dinances that enable the development of
14 mixed-income housing;

15 (vi) streamlining regulatory require-
16 ments and shortening processes, increasing
17 code enforcement and permitting capacity,
18 reforming zoning codes, or other initiatives
19 that reduce barriers to increasing housing
20 supply and affordability;

21 (vii) eliminating restrictions against
22 accessory dwelling units and expanding
23 their by-right use;

1 (viii) using local tax incentives or public
2 financing to promote development of attainable
3 housing;

4 (ix) streamlining environmental regulations;

5 (x) eliminating unnecessary manufactured-housing
6 regulations and restrictions;

7 (xi) minimizing the impact of overburdensome energy and
8 water efficiency standards on housing costs; and
9 standards on housing costs; and

10 (xii) other activities that reduce the
11 cost of construction, as determined by the
12 Secretary.
13 Secretary.

14 (5) GRANTS.—

15 (A) IN GENERAL.—The Secretary shall
16 make not fewer than 25 grants on an annual
17 basis (unless amounts appropriated to provide
18 grant amounts consistent with subsection (b) are
19 insufficient, in which case fewer grants may be
20 awarded), with strong consideration of different
21 geographical areas and a relatively even spread
22 of rural, suburban, and urban communities.

23 (B) LIMITATIONS ON AWARDS.—No grant
24 awarded under this paragraph may be—

25 (i) more than \$10,000,000; or

1 (ii) less than \$250,000.

2 (C) *PRIORITY.*—When awarding grants
3 under this paragraph, the Secretary shall give
4 priority to an eligible entity that has—

5 (i) demonstrated the use of innovative
6 policies, interventions, or programs for in-
7 creasing housing supply; and

8 (ii) demonstrated a marked improve-
9 ment in housing supply growth, as needed.

10 (D) *GRANT ADMINISTRATION AND TERMS.*—
11 Projects assisted under this section for activities
12 described in sector 23 of the North American In-
13 dustry Classification System shall be treated as
14 projects assisted under the Community Develop-
15 ment Block Grant program under title I of the
16 Housing and Community Development Act of
17 1974 (42 U.S.C. 5301 et seq.).

18 (c) *RULES OF CONSTRUCTION.*—Nothing in this sec-
19 tion shall be construed—

20 (1) to authorize the Secretary to mandate, super-
21 sede, or preempt any local zoning or land use policy;
22 or

23 (2) to affect the requirements of section 105(c)(1)
24 of the Cranston-Gonzalez National Affordable Hous-
25 ing Act (42 U.S.C. 12705(c)(1)).

1 (d) *AUTHORIZATION OF APPROPRIATIONS.*—

2 (1) *IN GENERAL.*—*There is authorized to be ap-*
3 *propriated to carry out this section \$200,000,000 for*
4 *each of fiscal years 2027 through 2031.*

5 (2) *ADJUSTMENT.*—*The amount authorized to be*
6 *appropriated under paragraph (1) shall be adjusted*
7 *for inflation based on the Consumer Price Index for*
8 *all Urban Customers published by the Bureau of*
9 *Labor Statistics of the Department of Labor.*

10 **SEC. 211. ACCELERATING HOME BUILDING ACT.**

11 (a) *DEFINITIONS.*—*In this section:*

12 (1) *AFFORDABLE HOUSING.*—*The term “afford-*
13 *able housing” means housing for which the total*
14 *monthly housing cost payment is not more than 30*
15 *percent of the monthly household income for a house-*
16 *hold earning not more than 80 percent of the area*
17 *median income.*

18 (2) *COVERED STRUCTURE.*—*The term “covered*
19 *structure” means—*

20 (A) *a low-rise or mid-rise structure with*
21 *not more than 25 dwelling units; and*

22 (B) *includes—*

23 (i) *an accessory dwelling unit;*

24 (ii) *infill development;*

25 (iii) *a duplex;*

- 1 (iv) a triplex;
- 2 (v) a fourplex;
- 3 (vi) a cottage court;
- 4 (vii) a courtyard building;
- 5 (viii) a townhouse;
- 6 (ix) a multiplex; and
- 7 (x) any other structure with not less
- 8 than 2 dwelling units that the Secretary
- 9 considers appropriate.

10 (3) *ELIGIBLE ENTITY.*—The term “eligible enti-

11 ty” means—

12 (A) a unit of general local government, as

13 defined in section 102(a) of the Housing and

14 Community Development Act of 1974 (42 U.S.C.

15 5302(a));

16 (B) a municipal membership organization;

17 and

18 (C) an Indian tribe, as defined in section

19 102(a) of the Housing and Community Develop-

20 ment Act of 1974 (42 U.S.C. 5302(a)).

21 (4) *HIGH OPPORTUNITY AREA.*—The term “high

22 opportunity area” has the meaning given the term in

23 section 1282.1 of title 12, Code of Federal Regula-

24 tions, or any successor regulation.

1 (5) *INFILL DEVELOPMENT.*—*The term “infill de-*
2 *velopment” means residential development on small*
3 *parcels in previously established areas for replace-*
4 *ment with new or refurbished housing that utilizes ex-*
5 *isting utilities and infrastructure.*

6 (6) *MIXED-INCOME HOUSING.*—*The term “mixed-*
7 *income housing” means a housing development that is*
8 *comprised of housing units that promote differing lev-*
9 *els of affordability in the community.*

10 (7) *PRE-REVIEWED DESIGNS.*—*The term “pre-re-*
11 *viewed designs”, also known as pattern books, means*
12 *sets of construction plans that are assessed and ap-*
13 *proved by localities for compliance with local building*
14 *and permitting standards to streamline and expedite*
15 *approval pathways for housing construction.*

16 (8) *RURAL AREA.*—*The term “rural area” means*
17 *any area other than a city or town that has a popu-*
18 *lation of less than 50,000 inhabitants.*

19 (9) *SECRETARY.*—*The term “Secretary” means*
20 *the Secretary of Housing and Urban Development.*

21 (b) *AUTHORITY.*—*The Secretary is authorized to*
22 *award grants to eligible entities utilizing funds appro-*
23 *riated for such purpose to select pre-reviewed designs of*
24 *covered structures of mixed-income housing for use in the*
25 *jurisdiction of the eligible entity, except that such grant*

1 *awards may not be used for construction, alteration, or re-*
2 *pair work.*

3 (c) *CONSIDERATIONS.—In reviewing applications sub-*
4 *mitted by eligible entities for a grant under this section,*
5 *the Secretary shall consider—*

6 (1) *the need for affordable housing in the service*
7 *area of the eligible entity;*

8 (2) *the presence of high opportunity areas in the*
9 *jurisdiction of the eligible entity;*

10 (3) *coordination between the eligible entity and*
11 *a State agency; and*

12 (4) *coordination between the eligible entity and*
13 *State, local, and regional transportation planning*
14 *authorities.*

15 (d) *SET-ASIDE FOR RURAL AREAS.—Of the amount*
16 *made available in each fiscal year for grants under this*
17 *section, the Secretary shall ensure that not less than 10 per-*
18 *cent shall be used for grants to eligible entities that are lo-*
19 *cated in rural areas.*

20 (e) *REPORTS.—The Secretary shall require eligible en-*
21 *tities receiving grants under this section to report on—*

22 (1) *the impacts of the activities carried out using*
23 *the grant amounts in improving the production and*
24 *supply of affordable housing;*

1 (2) *the pre-reviewed designs selected using the*
2 *grant amounts in their communities;*

3 (3) *the number of permits issued for housing de-*
4 *velopment utilizing pre-reviewed designs; and*

5 (4) *the number of housing units produced in de-*
6 *velopments utilizing the pre-reviewed designs.*

7 (f) *AVAILABILITY OF INFORMATION.—The Secretary*
8 *shall—*

9 (1) *to the extent possible, encourage localities to*
10 *make publicly available through a website informa-*
11 *tion on the pre-reviewed designs selected and sub-*
12 *mitted to the Secretary by eligible entities receiving*
13 *grants under this section, including information on*
14 *the benefits of use of those designs; and*

15 (2) *collect, identify, and disseminate best prac-*
16 *tices regarding such designs and make such informa-*
17 *tion publicly available on the website of the Depart-*
18 *ment of Housing and Urban Development.*

19 (g) *DESIGN ADOPTION AND REPAYMENT.—The Sec-*
20 *retary may require an eligible entity to return to the Sec-*
21 *retary any grant funds received under this section if the*
22 *selected pre-reviewed designs submitted under this section*
23 *have not been adopted during the 5-year period following*
24 *receipt of the grant, unless that period is extended by the*
25 *Secretary.*

1 (h) *TECHNICAL ASSISTANCE.*—*The Secretary may set*
2 *aside not more than 5 percent of amounts appropriated in*
3 *a fiscal year to provide technical assistance to grant recipi-*
4 *ents under this section and pre-grant technical assistance*
5 *to prospective applicants.*

6 **SEC. 212. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
7 **ABLE ENVIRONMENTS (RESIDE) ACT.**

8 (a) *IN GENERAL.*—*Subtitle A of title II of the Cran-*
9 *ston-Gonzalez National Affordable Housing Act (42 U.S.C.*
10 *12741 et seq.) is amended by adding at the end the fol-*
11 *lowing:*

12 **“SEC. 227. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
13 **ABLE ENVIRONMENTS.**

14 “(a) *DEFINITIONS.*—*In this section:*

15 “(1) *ATTAINABLE HOUSING.*—*The term ‘attain-*
16 *able housing’ means housing that serves households*
17 *earning not more than 120 percent of the area me-*
18 *dian income, if the majority of the housing units are*
19 *affordable to households earning not more than 60*
20 *percent of the area median income.*

21 “(2) *CONVERTED HOUSING UNIT.*—*The term*
22 *‘converted housing unit’ means a housing unit that is*
23 *created using a covered grant.*

24 “(3) *COVERED GRANT.*—*The term ‘covered grant’*
25 *means a grant awarded under the Pilot Program.*

1 “(4) *ELIGIBLE ENTITY*.—The term ‘eligible enti-
2 ty’ means a participating jurisdiction.

3 “(5) *PILOT PROGRAM*.—The term ‘Pilot Pro-
4 gram’ means the pilot program established under sub-
5 section (b).

6 “(6) *VACANT AND ABANDONED BUILDING*.—The
7 term ‘vacant and abandoned building’ means a prop-
8 erty—

9 “(A) that was constructed for use as a ware-
10 house, factory, mall, strip mall, or hotel, or for
11 another industrial or commercial use; and

12 “(B)(i) with respect to which—

13 “(I) a code enforcement inspection has
14 determined that the property is not safe;
15 and

16 “(II) not less than 90 days have
17 elapsed since the owner was notified of the
18 deficiencies in the property and the owner
19 has taken no corrective action; or

20 “(ii) that is subject to a court-ordered re-
21 ceivership or nuisance abatement related to
22 abandonment pursuant to State or local law or
23 otherwise meets the definition of an abandoned
24 property under State law.

1 “(b) *PURPOSE OF GRANT PROGRAM.*—Subject to the
2 availability of funds appropriated for this subsection, the
3 Secretary is authorized to establish a pilot program, span-
4 ning from fiscal years 2027 through 2031, which shall have
5 the purpose of awarding grants on a competitive basis to
6 eligible entities to convert vacant and abandoned buildings
7 into attainable housing.

8 “(c) *AMOUNT OF GRANT.*—

9 “(1) *IN GENERAL.*—For any fiscal year for
10 which not less than \$100,000,000 is made available to
11 carry out the Pilot Program, the amount of a covered
12 grant shall be not less than \$1,000,000 and not more
13 than \$10,000,000.

14 “(2) *FISCAL YEARS WITH LOWER FUNDING.*—For
15 any fiscal year for which less than \$100,000,000 is
16 made available to carry out the Pilot Program pursu-
17 ant to subsection (b), the Secretary shall seek to maxi-
18 mize the number of covered grants awarded.

19 “(d) *RELATION TO FORMULA ALLOCATION.*—A covered
20 grant awarded to an eligible entity shall be in addition to,
21 and shall not affect, the formula allocation for the eligible
22 entity under section 217.

23 “(e) *PRIORITY.*—In awarding covered grants, the Sec-
24 retary shall give priority to an eligible entity that—

1 “(1) will use the covered grant in a community
2 that is experiencing economic distress;

3 “(2) will use the covered grant in a qualified op-
4 portunity zone (as defined in section 1400Z-1(a) of
5 the Internal Revenue Code of 1986);

6 “(3) will use the covered grant to construct hous-
7 ing that will serve a need identified in the com-
8 prehensive housing affordability strategy and commu-
9 nity development plan of the eligible entity under
10 part 91 of title 24, Code of Federal Regulations, or
11 any successor regulation (commonly referred to as a
12 ‘consolidated plan’); or

13 “(4) has enacted ordinances to reduce regulatory
14 barriers to conversion of vacant and abandoned build-
15 ings to housing, which shall not include any alter-
16 ation of an ordinance that governs safety and habit-
17 ability.

18 “(f) USE OF FUNDS.—An eligible entity may use a
19 covered grant for—

20 “(1) property acquisition;

21 “(2) demolition;

22 “(3) health hazard remediation;

23 “(4) site preparation;

24 “(5) construction, renovation, or rehabilitation;

25 or

1 “(6) *the establishment, maintenance, or expansion*
2 *of community land trusts.*”

3 “(g) *WAIVER AUTHORITY.—In administering covered*
4 *grants, the Secretary may waive, or specify alternative re-*
5 *quirements for, any statute or regulation that the Secretary*
6 *administers in connection with the obligation by the Sec-*
7 *retary or the use by eligible entities of covered grant funds*
8 *(except for requirements related to fair housing, non-*
9 *discrimination, labor standards, or the environment) if the*
10 *Secretary makes a public finding that good cause exists for*
11 *the waiver or alternative requirement.*”

12 “(h) *STUDY; REPORT.—Not later than 180 days after*
13 *the termination of the Pilot Program, the Secretary shall*
14 *study and submit to Congress a report on the impact of*
15 *the Pilot Program on—*

16 “(1) *improving the tax base of local commu-*
17 *nities;*

18 “(2) *increasing access to affordable housing, es-*
19 *pecially for elderly individuals, disabled individuals,*
20 *and veterans;*

21 “(3) *increasing homeownership; and*

22 “(4) *removing blight.*”.

23 “(b) *TECHNICAL AND CONFORMING AMENDMENT.—The*
24 *table of contents in section 1(b) of the Cranston-Gonzalez*
25 *National Affordable Housing Act (Public Law 101–625;*

1 104 Stat. 4079) is amended by inserting after the item re-
2 lating to section 226 the following:

“Sec. 227. Revitalizing empty structures into desirable environments.”.

3 **SEC. 213. HOUSING AFFORDABILITY ACT.**

4 (a) *IN GENERAL.*—Title II of the National Housing
5 Act (12 U.S.C. 1707 et seq.) is amended—

6 (1) in section 206A (12 U.S.C. 1712a)—

7 (A) in subsection (a), in the matter fol-
8 lowing paragraph (7), by striking “(commencing
9 in 2004” and all that follows through the period
10 at the end and inserting the following: “, com-
11 mencing on July 1, 2025. The adjustment of the
12 Dollar Amounts shall be calculated by the Sec-
13 retary using the percentage change in the Price
14 Deflator Index of Multifamily Residential Units
15 Under Construction released by the Bureau of
16 the Census from March of the previous year to
17 March of the year in which the adjustment is
18 made, or by the Secretary using an alternative
19 indicator after publishing information about
20 such alternative indicators in the Federal Reg-
21 ister for public comment if the Price Deflator
22 Index of Multifamily Residential Units Under
23 Construction is not available or published.”; and

24 (B) by amending subsection (b) to read as
25 follows:

1 “(b) *PUBLICATION.*—

2 “(1) *IN GENERAL.*—*The Secretary shall publish*
3 *in the Federal Register any adjustments made to the*
4 *Dollar Amounts.*

5 “(2) *ROUNDING.*—*The dollar amount of any ad-*
6 *justment described in paragraph (1) shall be rounded*
7 *to the next lower dollar.”;*

8 (2) *in section 207(c)(3)(A) (12 U.S.C.*
9 *1713(c)(3)(A))—*

10 (A) *by striking “\$38,025” and inserting*
11 *“\$66,544”;*

12 (B) *by striking “\$42,120” and inserting*
13 *“\$73,710”;*

14 (C) *by striking “\$50,310” and inserting*
15 *“\$88,043”;*

16 (D) *by striking “\$62,010” and inserting*
17 *“\$108,518”;*

18 (E) *by striking “\$70,200” and inserting*
19 *“\$122,850”;*

20 (F) *by striking “, or not to exceed \$17,460*
21 *per space”;*

22 (G) *by striking “\$43,875” and inserting*
23 *“\$76,781”;*

24 (H) *by striking “\$49,140” and inserting*
25 *“\$85,995”;*

1 (I) by striking “\$60,255” and inserting
2 “\$105,446”;

3 (J) by striking “\$75,465” and inserting
4 “\$132,064”; and

5 (K) by striking “\$85,328” and inserting
6 “\$149,324”;

7 (3) in section 213(b)(2) (12 U.S.C.
8 1715e(b)(2))—

9 (A) by striking “\$41,207” and inserting
10 “\$72,112”;

11 (B) by striking “\$47,511” and inserting
12 “\$83,144”;

13 (C) by striking “\$57,300” and inserting
14 “\$100,275”;

15 (D) by striking “\$73,343” and inserting
16 “\$128,350”;

17 (E) by striking “\$81,708” and inserting
18 “\$142,989”;

19 (F) by striking “\$43,875” and inserting
20 “\$76,781”;

21 (G) by striking “\$49,710” and inserting
22 “\$87,993”;

23 (H) by striking “\$60,446” and inserting
24 “\$105,781”;

1 (I) by striking “\$78,197” and inserting
2 “\$136,845”; and

3 (J) by striking “\$85,836” and inserting
4 “\$150,213”;

5 (4) in section 220(d)(3)(B)(iii)(I) (12 U.S.C.
6 1715k(d)(3)(B)(iii)(I))—

7 (A) by striking “\$38,025” and inserting
8 “\$66,544”;

9 (B) by striking “\$42,120” and inserting
10 “\$73,710”;

11 (C) by striking “\$50,310” and inserting
12 “\$88,043”;

13 (D) by striking “\$62,010” and inserting
14 “\$108,518”;

15 (E) by striking “\$70,200” and inserting
16 “\$122,850”;

17 (F) by striking “\$43,875” and inserting
18 “\$76,781”;

19 (G) by striking “\$49,140” and inserting
20 “\$85,995”;

21 (H) by striking “\$60,255” and inserting
22 “\$105,446”;

23 (I) by striking “\$75,465” and inserting
24 “\$132,064”; and

1 (J) by striking “\$85,328” and inserting
2 “\$149,324”;

3 (5) in section 221(d)(4)(ii)(I) (12 U.S.C.
4 1715l(d)(4)(ii)(I))—

5 (A) by striking “\$37,843” and inserting
6 “\$66,225”;

7 (B) by striking “\$42,954” and inserting
8 “\$75,170”;

9 (C) by striking “\$51,920” and inserting
10 “\$90,860”;

11 (D) by striking “\$65,169” and inserting
12 “\$114,046”;

13 (E) by striking “\$73,846” and inserting
14 “\$129,231”;

15 (F) by striking “\$40,876” and inserting
16 “\$71,533”;

17 (G) by striking “\$46,859” and inserting
18 “\$82,003”;

19 (H) by striking “\$56,979” and inserting
20 “\$99,713”;

21 (I) by striking “\$73,710” and inserting
22 “\$128,993”; and

23 (J) by striking “\$80,913” and inserting
24 “\$141,598”;

1 (6) in section 231(c)(2)(A) (12 U.S.C.
2 1715v(c)(2)(A))—

3 (A) by striking “\$35,978” and inserting
4 “\$62,962”;

5 (B) by striking “\$40,220” and inserting
6 “\$70,385”;

7 (C) by striking “\$48,029” and inserting
8 “\$84,051”;

9 (D) by striking “\$57,798” and inserting
10 “\$101,147”;

11 (E) by striking “\$67,950” and inserting
12 “\$118,913”;

13 (F) by striking “\$40,876” and inserting
14 “\$71,533”;

15 (G) by striking “\$46,859” and inserting
16 “\$82,003”;

17 (H) by striking “\$56,979” and inserting
18 “\$99,713”;

19 (I) by striking “\$73,710” and inserting
20 “\$128,993”; and

21 (J) by striking “\$80,913” and inserting
22 “\$141,598”; and

23 (7) in section 234(e)(3)(A) (12 U.S.C.
24 1715y(e)(3)(A))—

1 (A) by striking “\$42,048” and inserting
2 “\$73,584”;

3 (B) by striking “\$48,481” and inserting
4 “\$84,842”;

5 (C) by striking “\$58,469” and inserting
6 “\$102,321”;

7 (D) by striking “\$74,840” and inserting
8 “\$130,970”;

9 (E) by striking “\$83,375” and inserting
10 “\$145,906”;

11 (F) by striking “\$44,250” and inserting
12 “\$77,438”;

13 (G) by striking “\$50,724” and inserting
14 “\$88,767”;

15 (H) by striking “\$61,680” and inserting
16 “\$107,940”;

17 (I) by striking “\$79,793” and inserting
18 “\$139,638”; and

19 (J) by striking “\$87,588” and inserting
20 “\$153,279”.

21 (b) *MULTIFAMILY LOAN LIMIT STUDY.*—The Commis-
22 sioner of the Federal Housing Administration, in consulta-
23 tion with the Secretary of Housing and Urban Develop-
24 ment, shall conduct a study to assess the following in com-

1 *parison to the loan limits prior to the amendments made*
2 *under this section:*

3 (1) *Whether the Commissioner has sufficient au-*
4 *thority to increase loan limits for each multifamily*
5 *mortgage insurance program at appropriate amounts,*
6 *including to meet market demand.*

7 (2) *The impacts that multifamily loan limit in-*
8 *creases have had, if any, on—*

9 (A) *the General Insurance and Special Risk*
10 *Insurance Fund;*

11 (B) *the change in volume of multifamily*
12 *purchase and construction lending that is in-*
13 *sured by the Federal Housing Administration;*
14 *and*

15 (C) *subject to the availability of data, the*
16 *year-over-year change over the last 6 years in—*

17 (i) *median and average lending costs*
18 *as well as rent and house prices within the*
19 *multifamily housing market; and*

20 (ii) *multifamily housing supply, in-*
21 *cluding the number of building permits*
22 *issued as well as housing unit starts and*
23 *completions.*

24 (c) *REPORT.—Not later than 3 years after the date of*
25 *enactment of this Act, the Commissioner of the Federal*

1 *Housing Administration shall submit to Congress a report*
2 *summarizing the findings of the Commissioner for the study*
3 *conducted under subsection (b).*

4 ***TITLE III—MANUFACTURED***
5 ***HOUSING FOR AMERICA***

6 ***SEC. 301. HOUSING SUPPLY EXPANSION ACT.***

7 *(a) IN GENERAL.—Section 603(6) of the National*
8 *Manufactured Housing Construction and Safety Standards*
9 *Act of 1974 (42 U.S.C. 5402(6)) is amended by striking*
10 *“on a permanent chassis” and inserting “with or without*
11 *a permanent chassis”.*

12 *(b) STANDARDS FOR MANUFACTURED HOMES BUILT*
13 *WITHOUT A PERMANENT CHASSIS.—Section 604(a) of the*
14 *National Manufactured Housing Construction and Safety*
15 *Standards Act of 1974 (42 U.S.C. 5403(a)) is amended by*
16 *adding the following:*

17 *“(7) STANDARDS FOR MANUFACTURED HOMES*
18 *BUILT WITHOUT A PERMANENT CHASSIS.—*

19 *“(A) IN GENERAL.—The Secretary, in con-*
20 *sultation with the consensus committee, shall*
21 *issue revised standards for manufactured homes*
22 *built without a permanent chassis using the*
23 *process described in paragraph (4).*

24 *“(B) CREATING FINAL STANDARDS.—The*
25 *Secretary shall, after consulting and conferring*

1 *with the consensus committee, establish stand-*
2 *ards to ensure that manufactured homes without*
3 *a permanent chassis have—*

4 *“(i) a distinct label, with revenue gen-*
5 *erated to be deposited into the Manufac-*
6 *tured Housing Fees Trust Fund established*
7 *under section 620(e)(1), to be issued by the*
8 *Secretary distinguishing manufactured*
9 *home built without a permanent chassis*
10 *from manufactured homes built on a per-*
11 *manent chassis;*

12 *“(ii) a data plate, as described in sec-*
13 *tion 3280.5 of title 24, Code of Federal Reg-*
14 *ulations (or any successor regulation), dis-*
15 *tinguishing manufactured homes built with-*
16 *out a permanent chassis from manufactured*
17 *homes built on a permanent chassis; and*

18 *“(iii) a notation on any invoice pro-*
19 *duced by the manufacturer of a manufac-*
20 *tured home that is distinguishable from the*
21 *invoice for a manufactured home con-*
22 *structed with a permanent chassis.”.*

23 *(c) MANUFACTURED HOME CERTIFICATIONS.—Section*
24 *604 of the National Manufactured Housing Construction*

1 *and Safety Standards Act of 1974 (42 U.S.C. 5403) is*
2 *amended by adding at the end the following:*

3 “(i) *MANUFACTURED HOME CERTIFICATIONS.*—

4 “(1) *IN GENERAL.*—

5 “(A) *INITIAL CERTIFICATION.*—*Subject to*
6 *subparagraph (B), not later than 1 year after*
7 *the date of enactment of the 21st Century ROAD*
8 *to Housing Act, a State shall submit to the Sec-*
9 *retary an initial certification that the laws and*
10 *regulations of the State—*

11 “(i) *treat any manufactured home in*
12 *parity with a manufactured home (as de-*
13 *finied and regulated by the State); and*

14 “(ii) *subject a manufactured home*
15 *without a permanent chassis to the same*
16 *laws and regulations of the State as a man-*
17 *ufactured home built on a permanent chas-*
18 *sis, including with respect to financing,*
19 *title, insurance, manufacture, sale, taxes,*
20 *transportation, installation, and other areas*
21 *as the Secretary determines, after consulta-*
22 *tion with and approval by the consensus*
23 *committee, are necessary to give effect to the*
24 *purpose of this section.*

1 “(B) *STATE PLAN SUBMISSION.*—Any State
2 plan submitted under section 623(b) shall con-
3 tain the required State certification under sub-
4 paragraph (A) and, if contained therein, no ad-
5 ditional or State certification under subpara-
6 graph (A) or paragraph (3).

7 “(C) *EXTENDED DEADLINE.*—With respect
8 to a State with a legislature that meets bienni-
9 ally, the deadline for the submission of the ini-
10 tial certification required under subparagraph
11 (A) shall be 2 years after the date of enactment
12 of the 21st Century ROAD to Housing Act.

13 “(D) *LATE CERTIFICATION.*—

14 “(i) *NO WAIVER.*—The Secretary may
15 not waive the prohibition described in para-
16 graph (5)(B) with respect to a certification
17 submitted after the deadline under subpara-
18 graph (A) or paragraph (3) unless the Sec-
19 retary approves the late certification.

20 “(ii) *RULE OF CONSTRUCTION.*—Noth-
21 ing in this subsection shall be construed to
22 prevent a State from submitting the initial
23 certification required under subparagraph
24 (A) after the required deadline under that
25 subparagraph.

1 “(2) *FORM OF STATE CERTIFICATION NOT PRE-*
2 *SENTED IN A STATE PLAN.*—*The initial certification*
3 *required under paragraph (1)(A), if not submitted*
4 *with a State plan under paragraph (1)(B), shall con-*
5 *tain, in a form prescribed by the Secretary, an attes-*
6 *tation by an official that the State has taken the steps*
7 *necessary to ensure the veracity of the certification re-*
8 *quired under paragraph (1)(A), including, as nec-*
9 *essary, by—*

10 “(A) *amending the definition of ‘manufac-*
11 *tured home’ in the laws and regulations of the*
12 *State; and*

13 “(B) *directing State agencies to amend the*
14 *definition of ‘manufactured home’ in regulations.*

15 “(3) *ANNUAL RECERTIFICATION.*—*Not later than*
16 *a date to be determined by the Secretary each year,*
17 *a State shall submit to the Secretary an additional*
18 *certification that—*

19 “(A) *confirms the accuracy of the initial*
20 *certification submitted under subparagraph (A)*
21 *or (B) of paragraph (1); and*

22 “(B) *certifies that any new laws or regula-*
23 *tions enacted or adopted by the State since the*
24 *date of the previous certification do not change*

1 *the veracity of the initial certification submitted*
2 *under paragraph (1)(A).*

3 “(4) *LIST.*—*The Secretary shall publish and*
4 *maintain in the Federal Register and on the website*
5 *of the Department of Housing and Urban Develop-*
6 *ment a list of States that are up to date with the sub-*
7 *mission of initial and subsequent certifications re-*
8 *quired under this subsection.*

9 “(5) *PROHIBITION.*—

10 “(A) *DEFINITION.*—*In this paragraph, the*
11 *term ‘covered manufactured home’ means a home*
12 *that is—*

13 “(i) *not considered a manufactured*
14 *home under the laws and regulations of a*
15 *State because the home is constructed with-*
16 *out a permanent chassis;*

17 “(ii) *considered a manufactured home*
18 *under the definition of the term in section*
19 *603; and*

20 “(iii) *constructed after the date of en-*
21 *actment of the 21st Century ROAD to*
22 *Housing Act.*

23 “(B) *BUILDING, INSTALLATION, AND*
24 *SALE.*—*If a State does not submit a certification*
25 *under paragraph (1)(A) or (3) by the date on*

1 *which those certifications are required to be sub-*
2 *mitted—*

3 “(i) *with respect to a State in which*
4 *the State administers the installation of*
5 *manufactured homes, the State shall pro-*
6 *hibit the manufacture, installation, or sale*
7 *of a covered manufactured home within the*
8 *State; and*

9 “(ii) *with respect to a State in which*
10 *the Secretary administers the installation of*
11 *manufactured homes, the State and the Sec-*
12 *retary shall prohibit the manufacture, in-*
13 *stallation, or sale of a covered manufactured*
14 *home within the State.”.*

15 (d) *OTHER FEDERAL LAWS REGULATING MANUFAC-*
16 *TURED HOMES.—*

17 (1) *IN GENERAL.—The Secretary of Housing and*
18 *Urban Development may coordinate with the heads of*
19 *other Federal agencies to ensure that Federal agencies*
20 *treat a manufactured home (as defined in Federal*
21 *laws and regulations other than section 603 of the*
22 *National Manufactured Housing Construction and*
23 *Safety Standards Act of 1974 (42 U.S.C. 5402)) in*
24 *the same manner as a manufactured home (as defined*
25 *in section 603 of the National Manufactured Housing*

1 *Construction and Safety Standards Act of 1974 (42*
2 *U.S.C. 5402), as amended by this Act).*

3 (2) *ENERGY EFFICIENCY STANDARDS.—*

4 (A) *MANUFACTURED HOME DEFINED.—In*
5 *this paragraph, the term “manufactured home”*
6 *has the meaning given the term in section 603*
7 *of the National Manufactured Housing Construc-*
8 *tion and Safety Standards Act of 1974 (42*
9 *U.S.C. 5402), as amended by this Act.*

10 (B) *PROCESS.—No energy efficiency stand-*
11 *ards for manufactured homes developed by any*
12 *Federal agency shall have legal effect unless and*
13 *until adopted by the Department of Housing and*
14 *Urban Development pursuant to the consensus*
15 *standards and regulatory development process*
16 *described in section 604(a)(2) of the National*
17 *Manufactured Housing Construction and Safety*
18 *Standards Act of 1974 (42 U.S.C. 5403(a)(2)).*

19 (C) *MINIMUM STANDARDS.—The Secretary*
20 *of Housing and Urban Development shall—*

21 (i) *not later than 1 year after the date*
22 *of enactment of this Act, adopt minimum*
23 *energy efficiency standards for manufac-*
24 *tured homes; and*

1 (ii) *not less frequently than once every*
2 3 *years after adopting the standards under*
3 4 *clause (i), update those standards.*

4 (e) *ASSISTANCE TO STATES.*—*Section 609 of the Na-*
5 *tional Manufactured Housing Construction and Safety*
6 *Standards Act of 1974 (42 U.S.C. 5408) is amended—*

7 (1) *in paragraph (1), by striking “and” at the*
8 9 *end;*

9 (2) *in paragraph (2), by striking the period at*
10 11 *the end and inserting “; and”; and*

11 (3) *by adding at the end the following:*

12 13 *“(3) model guidance to support the submission of*
13 14 *the certification required under section 604(i).”.*

14 (f) *PREEMPTION.*—*Nothing in this section or the*
15 *amendments made by this section shall be construed as lim-*
16 *iting the scope of Federal preemption under section 604(d)*
17 *of the National Manufactured Housing Construction and*
18 *Safety Standards Act of 1974 (42 U.S.C. 5403(d)).*

19 **SEC. 302. MODULAR HOUSING PRODUCTION ACT.**

20 (a) *DEFINITIONS.*—*In this section:*

21 (1) *MANUFACTURED HOME.*—*The term “manu-*
22 *factured home” has the meaning given the term in*
23 *section 603 of the National Manufactured Housing*
24 *Construction and Safety Standards Act of 1974 (42*
25 *U.S.C. 5402).*

1 (2) *MODULAR HOME.*—*The term “modular*
2 *home” means a home that is constructed in a factory*
3 *in 1 or more modules, each of which meets applicable*
4 *State and local building codes of the area in which*
5 *the home will be located, and that are transported to*
6 *the home building site, installed on foundations, and*
7 *completed.*

8 (3) *SECRETARY.*—*The term “Secretary” means*
9 *the Secretary of Housing and Urban Development.*

10 (b) *FHA CONSTRUCTION FINANCING PROGRAMS.*—

11 (1) *IN GENERAL.*—*The Secretary shall conduct a*
12 *review of Federal Housing Administration construc-*
13 *tion financing programs to identify barriers to the*
14 *use of modular home methods.*

15 (2) *REQUIREMENTS.*—*In conducting the review*
16 *under paragraph (1), the Secretary shall—*

17 (A) *identify and evaluate regulatory and*
18 *programmatic features that restrict participa-*
19 *tion in construction financing programs by mod-*
20 *ular home developers, including construction*
21 *draw schedules; and*

22 (B) *identify administrative measures au-*
23 *thorized under section 525 of the National Hous-*
24 *ing Act (12 U.S.C. 1735f-3) to facilitate pro-*
25 *gram utilization by modular home developers.*

1 (3) *REPORT.*—Not later than 1 year after the
2 date of enactment of this Act, the Secretary shall pub-
3 lish a report that describes the results of the review
4 conducted under paragraph (1), which shall include a
5 description of programmatic and policy changes that
6 the Secretary recommends to reduce or eliminate
7 identified barriers to the use of modular home meth-
8 ods in Federal Housing Administration construction
9 financing programs.

10 (4) *RULEMAKING.*—

11 (A) *IN GENERAL.*—Not later than 120 days
12 after the date on which the Secretary publishes
13 the report under paragraph (3), the Secretary
14 shall initiate a rulemaking to examine an alter-
15 native draw schedule for construction financing
16 loans provided to modular and manufactured
17 home developers, which shall include the ability
18 for interested stakeholders to provide robust pub-
19 lic comment.

20 (B) *DETERMINATION.*—Following the period
21 for public comment under subparagraph (A), the
22 Secretary shall—

23 (i) issue a final rule regarding an al-
24 ternative draw schedule described in sub-
25 paragraph (A); or

1 (ii) provide an explanation as to why
2 the rule shall not become final.

3 (c) *STANDARDIZED UNIFORM COMMERCIAL CODE FOR*
4 *MODULAR HOMES.*—The Secretary may award a grant to
5 study the design and feasibility of a standardized uniform
6 commercial code for modular homes, which shall evaluate—

7 (1) the utility of a standardized coding system
8 for serializing and securing modules, streamlining de-
9 sign and construction, and improving modular home
10 innovation; and

11 (2) a means to coordinate a standardized code
12 with financing incentives.

13 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**
14 **HOUSING LOAN MODERNIZATION ACT.**

15 (a) *NATIONAL HOUSING ACT AMENDMENTS.*—

16 (1) *IN GENERAL.*—Section 2 of the National
17 *Housing Act (12 U.S.C. 1703)* is amended—

18 (A) in subsection (a), by inserting “con-
19 struction of additional or accessory dwelling
20 units, as defined by the Secretary,” after “energy
21 conserving improvements;”; and

22 (B) in subsection (b)—

23 (i) in paragraph (1)—

24 (I) by striking subparagraph (A)
25 and inserting the following:

1 “(A) \$75,000 if made for the purpose of financ-
2 ing alterations, repairs and improvements upon or in
3 connection with an existing single-family structure,
4 including a manufactured home;”;

5 (II) in subparagraph (B)—

6 (aa) by striking “\$60,000”
7 and inserting “\$150,000”;

8 (bb) by striking “\$12,000”
9 and inserting “\$37,500”; and

10 (cc) by striking “an apart-
11 ment house or”;

12 (III) by striking subparagraphs
13 (C) and (D) and inserting the fol-
14 lowing:

15 “(C)(i) \$106,405 if made for the purpose of fi-
16 nancing the purchase of a single-section manufactured
17 home; and

18 “(i) \$195,322 if made for the purpose of financ-
19 ing the purchase of a multi-section manufactured
20 home;

21 “(D)(i) \$149,782 if made for the purpose of fi-
22 nancing the purchase of a single-section manufactured
23 home and a suitably developed lot on which to place
24 the home; and

1 “(ii) \$238,699 if made for the purpose of financ-
2 ing the purchase of a multi-section manufactured
3 home and a suitably developed lot on which to place
4 the home;”;

5 (IV) in subparagraph (E)—

6 (aa) by striking “\$23,226”
7 and inserting “\$43,377”; and

8 (bb) by striking the period at
9 the end and inserting a semicolon;

10 (V) in subparagraph (F), by strik-
11 ing “and” at the end;

12 (VI) in subparagraph (G), by
13 striking the period at the end and in-
14 serting “; and”; and

15 (VII) by inserting after subpara-
16 graph (G) the following:

17 “(H) such principal amount as the Secretary
18 may prescribe if made for the purpose of financing
19 the construction of an accessory dwelling unit.”;

20 (ii) in the matter immediately pre-
21 ceding paragraph (2)—

22 (I) by striking “regulation” and
23 inserting “notice”;

24 (II) by striking “increase” and
25 inserting “set”;

1 (III) by striking “(A)(ii), (C),
2 (D), and (E)” and inserting “(A)
3 through (H)”;

4 (IV) by inserting “, or as nec-
5 essary to achieve the goals of the Fed-
6 eral Housing Administration, periodi-
7 cally reset the dollar amount limita-
8 tions in subparagraphs (A) through
9 (H) based on justification and method-
10 ology set forth in advance by regula-
11 tion” before the period at the end; and

12 (V) by adjusting the margins ap-
13 propriately;

14 (iii) in paragraph (3), by striking “ex-
15 ceeds—” and all that follows through the
16 period at the end and inserting “exceeds
17 such period of time as determined by the
18 Secretary, not to exceed 30 years.”;

19 (iv) by striking paragraph (9) and in-
20 serting the following:

21 “(9) ANNUAL INDEXING OF CERTAIN DOLLAR
22 AMOUNT LIMITATIONS.—The Secretary shall develop
23 or choose 1 or more methods of indexing in order to
24 annually set the loan limits established in paragraph

1 (1), based on data the Secretary determines is appro-
2 priate for purposes of this section.”; and

3 (v) in paragraph (11), by striking
4 “lease—” and all that follows through the
5 period at the end and inserting “lease meets
6 the terms and conditions established by the
7 Secretary”.

8 (2) *DEADLINE FOR DEVELOPMENT OR CHOICE OF*
9 *NEW INDEX; INTERIM INDEX.—*

10 (A) *DEADLINE FOR DEVELOPMENT OR*
11 *CHOICE OF NEW INDEX.—Not later than 1 year*
12 *after the date of enactment of this Act, the Sec-*
13 *retary of Housing and Urban Development shall*
14 *develop or choose 1 or more methods of indexing*
15 *as required under section 2(b)(9) of the National*
16 *Housing Act (12 U.S.C. 1703(b)(9)), as amended*
17 *by paragraph (1) of this subsection.*

18 (B) *INTERIM INDEX.—During the period be-*
19 *ginning on the date of enactment of this Act and*
20 *ending on the date on which the Secretary of*
21 *Housing and Urban Development develops or*
22 *chooses 1 or more methods of indexing as re-*
23 *quired under section 2(b)(9) of the National*
24 *Housing Act (12 U.S.C. 1703(b)(9)), as amended*
25 *by paragraph (1) of this subsection, the method*

1 *of indexing established by the Secretary under*
2 *such section 2(b)(9) before the date of enactment*
3 *of this Act shall apply.*

4 **(b) HUD STUDY OF OFF-SITE CONSTRUCTION.—**

5 **(1) DEFINITIONS.—***In this subsection:*

6 **(A) OFF-SITE CONSTRUCTION HOUSING.—**

7 *The term “off-site construction housing” includes*
8 *manufactured homes and modular homes.*

9 **(B) MANUFACTURED HOME.—***The term*
10 *“manufactured home” means any home con-*
11 *structed in accordance with the construction and*
12 *safety standards established under the National*
13 *Manufactured Housing Construction and Safety*
14 *Standards Act of 1974 (42 U.S.C. 5401 et seq.).*

15 **(C) MODULAR HOME.—***The term “modular*
16 *home” means a home that is constructed in a*
17 *factory in 1 or more modules, each of which*
18 *meets applicable State and local building codes*
19 *of the area in which the home will be located,*
20 *and that are transported to the home building*
21 *site, installed on foundations, and completed.*

22 **(2) STUDY.—***The Secretary of Housing and*
23 *Urban Development shall conduct a study and submit*
24 *to Congress a report on the cost effectiveness of off-site*
25 *construction housing, that includes—*

1 (A) *an analysis of the advantages and the*
2 *impact of centralization in a factory and trans-*
3 *portation to a construction site on cost, preci-*
4 *sion, and materials waste;*

5 (B) *the extent to which off-site construction*
6 *housing meets housing quality standards under*
7 *the National Standards for the Physical Inspec-*
8 *tion of Real Estate, or other standards as the*
9 *Secretary may prescribe, compared to the extent*
10 *for site-built homes, for such standards;*

11 (C) *the expected replacement and mainte-*
12 *nance costs over the first 40 years of life of off-*
13 *site construction homes compared to those costs*
14 *for site-built homes; and*

15 (D) *opportunities for use beyond single-fam-*
16 *ily housing, such as applications in accessory*
17 *dwelling units, two- to four-unit housing, and*
18 *large multifamily housing.*

19 **SEC. 304. PRICE ACT.**

20 *Title I of the Housing and Community Development*
21 *Act of 1974 (42 U.S.C. 5301 et seq.) is amended—*

22 (1) *in section 105(a) (42 U.S.C. 5305(a)), in the*
23 *matter preceding paragraph (1), by striking “Activi-*
24 *ties” and inserting “Unless otherwise authorized*
25 *under section 123, activities”;* and

1 (2) *by adding at the end the following:*

2 **“SEC. 123. PRESERVATION AND REINVESTMENT FOR COM-**
3 **MUNITY ENHANCEMENT.**

4 “(a) *DEFINITIONS.—In this section:*

5 “(1) *COMMUNITY DEVELOPMENT FINANCIAL IN-*
6 *STITUTION.—The term ‘community development fi-*
7 *nancial institution’ means an institution that has*
8 *been certified as a community development financial*
9 *institution (as defined in section 103 of the Riegle*
10 *Community Development and Regulatory Improve-*
11 *ment Act of 1994 (12 U.S.C. 4702)) by the Secretary*
12 *of the Treasury.*

13 “(2) *ELIGIBLE MANUFACTURED HOUSING COM-*
14 *MUNITY.—The term ‘eligible manufactured housing*
15 *community’ means a manufactured housing commu-*
16 *nity that—*

17 “(A) *is affordable to low- and moderate-in-*
18 *come persons, as determined by the Secretary,*
19 *but not more than 120 percent of the area me-*
20 *dian income; and*

21 “(B)(i) *is owned by the residents of the*
22 *manufactured housing community through a*
23 *resident-controlled entity such as a resident-*
24 *owned cooperative; or*

1 “(ii) will be maintained as such a commu-
2 nity, and remain affordable for low- and mod-
3 erate-income persons, to the maximum extent
4 practicable and for the longest period feasible.

5 “(3) *ELIGIBLE RECIPIENT*.—The term ‘eligible
6 recipient’ means—

7 “(A) an eligible manufactured housing com-
8 munity;

9 “(B) a unit of general local government;

10 “(C) a housing authority;

11 “(D) a resident-owned community;

12 “(E) a resident-owned cooperative;

13 “(F) a nonprofit entity with housing exper-
14 tise or a consortium of such entities;

15 “(G) a community development financial
16 institution;

17 “(H) an Indian tribe;

18 “(I) a tribally designated housing entity;

19 “(J) the Department of Hawaiian Home
20 Lands;

21 “(K) a State; or

22 “(L) any other entity that is—

23 “(i) an owner-operator of an eligible
24 manufactured housing community; and

1 “(ii) working with an eligible manu-
2 factured housing community.

3 “(4) INDIAN TRIBE.—The term ‘Indian tribe’ has
4 the meaning given the term ‘Indian tribe’ in section
5 4 of the Native American Housing Assistance and
6 Self-Determination Act of 1996 (25 U.S.C. 4103).

7 “(5) MANUFACTURED HOUSING COMMUNITY.—
8 The term ‘manufactured housing community’
9 means—

10 “(A) any community, court, park, or other
11 land under unified ownership developed and ac-
12 commodating, or equipped to accommodate, the
13 placement of manufactured homes, where—

14 “(i) spaces within such community are
15 or will be primarily used for residential oc-
16 cupancy;

17 “(ii) all homes within the community
18 are used for permanent occupancy; and

19 “(iii) a majority of such occupied
20 spaces within the community are occupied
21 by manufactured homes, which may include
22 homes constructed prior to enactment of the
23 Manufactured Home Construction and Safe-
24 ty Standards; or

1 “(B) any community that meets the defini-
2 tion of manufactured housing community used
3 for programs similar to the program under this
4 section.

5 “(6) *RESIDENT HEALTH, SAFETY, AND ACCESSI-*
6 *BILITY ACTIVITIES.*—The term ‘resident health, safety,
7 and accessibility activities’ means the reconstruction,
8 repair, or replacement of manufactured housing and
9 manufactured housing communities to—

10 “(A) protect the health and safety of resi-
11 dents;

12 “(B) address weatherization and reduce
13 utility costs; or

14 “(C) address accessibility needs for residents
15 with disabilities.

16 “(7) *TRIBALLY DESIGNATED HOUSING ENTITY.*—
17 The term ‘tribally designated housing entity’ has the
18 meaning given the term in section 4 of the Native
19 American Housing Assistance and Self-Determination
20 Act of 1996 (25 U.S.C. 4103).

21 “(b) *ESTABLISHMENT.*—There is authorized a com-
22 petitive grant program that the Secretary shall, by notice,
23 carry out to make awards utilizing funds appropriated for
24 such purpose to eligible recipients to carry out eligible

1 *projects for development of or improvements to eligible man-*
2 *ufactured housing communities.*

3 “(c) *ELIGIBLE PROJECTS.*—

4 “(1) *IN GENERAL.*—Amounts from grants under
5 *this section may be used for—*

6 “(A) *community infrastructure, facilities,*
7 *utilities, and other land improvements in or*
8 *serving an eligible manufactured housing com-*
9 *munity;*

10 “(B) *reconstruction or repair of existing*
11 *housing within an eligible manufactured housing*
12 *community;*

13 “(C) *replacement of homes within an eligi-*
14 *ble manufactured housing community;*

15 “(D) *planning;*

16 “(E) *resident health, safety, and accessi-*
17 *bility activities in homes in an eligible manufac-*
18 *tured housing community;*

19 “(F) *land and site acquisition and infra-*
20 *structure for expansion or construction of an eli-*
21 *gible manufactured housing community;*

22 “(G) *resident and community services, in-*
23 *cluding relocation assistance, eviction preven-*
24 *tion, and down payment assistance; and*

25 “(H) *any other activity that—*

1 “(i) is approved by the Secretary con-
2 sistent with the requirements under this sec-
3 tion;

4 “(ii) improves the overall living condi-
5 tions of an eligible manufactured housing
6 community, which may include the addi-
7 tion or enhancement of shared spaces such
8 as community centers, recreational areas, or
9 other facilities that support resident well-
10 being and community engagement; and

11 “(iii) is necessary to protect the health
12 and safety of the residents of the eligible
13 manufactured housing community and the
14 long-term affordability and sustainability of
15 the community.

16 “(2) *REPLACEMENT*.—For purposes of subpara-
17 graphs (B) and (C) of paragraph (1), grants under
18 this section—

19 “(A) may not be used for rehabilitation or
20 modernization of units that were built before
21 June 15, 1976; and

22 “(B) may only be used for disposition and
23 replacement of units described in subparagraph
24 (A), provided that any replacement housing com-
25 plies with the Manufactured Home Construction

1 *and Safety Standards or is another allowed type*
2 *of home, as determined by the Secretary.*

3 “(d) *PRIORITY.—In awarding grants under this sec-*
4 *tion, the Secretary shall prioritize applicants that will*
5 *carry out activities that primarily benefit low- and mod-*
6 *erate-income residents and preserve long-term housing af-*
7 *fordability for residents of eligible manufactured housing*
8 *communities.*

9 “(e) *WAIVERS.—The Secretary may waive or specify*
10 *alternative requirements for any provision of law or regula-*
11 *tion that the Secretary administers in connection with use*
12 *of amounts made available under this section other than*
13 *requirements related to fair housing, nondiscrimination,*
14 *labor standards, and the environment, upon a finding that*
15 *the waiver or alternative requirement is not inconsistent*
16 *with the overall purposes of this section and that the waiver*
17 *or alternative requirement is necessary to facilitate the use*
18 *of amounts made available under this section.*

19 “(f) *IMPLEMENTATION.—*

20 “(1) *IN GENERAL.—Any grant made under this*
21 *section shall be made pursuant to criteria for selec-*
22 *tion of recipients of such grants that the Secretary*
23 *shall by regulation establish and publish together with*
24 *any notification of availability of amounts under this*
25 *section.*

1 “(2) *SET-ASIDE OF GRANT AMOUNTS.*—*The Sec-*
 2 *retary may set aside amounts provided under this*
 3 *section for grants to Indian tribes, tribally designated*
 4 *housing entities, and the Department of Hawaiian*
 5 *Home Lands.”.*

6 ***TITLE IV—ACCESSING THE***
 7 ***AMERICAN DREAM***

8 ***SEC. 401. CREATING INCENTIVES FOR SMALL DOLLAR LOAN***
 9 ***ORIGINATORS.***

10 *(a) DEFINITIONS.—In this section:*

11 (1) *DIRECTOR.*—*The term “Director” means the*
 12 *Director of the Bureau of Consumer Financial Protec-*
 13 *tion.*

14 (2) *SMALL DOLLAR MORTGAGE.*—*The term*
 15 *“small dollar mortgage” means a mortgage loan hav-*
 16 *ing an original principal obligation of not more than*
 17 *\$100,000 that is—*

18 (A) *secured by real property designed for*
 19 *the occupancy of between 1 and 4 families; and*

20 (B)(i) *insured by the Federal Housing Ad-*
 21 *ministration under title II of the National Hous-*
 22 *ing Act (12 U.S.C. 1707 et seq.);*

23 (ii) *made, guaranteed, or insured by the*
 24 *Department of Veterans Affairs;*

1 (iii) made, guaranteed, or insured by the
2 Department of Agriculture; or

3 (iv) eligible to be purchased or securitized
4 by the Federal Home Loan Mortgage Corpora-
5 tion or the Federal National Mortgage Associa-
6 tion.

7 (b) *REQUIREMENT REGARDING LOAN ORIGINATOR*
8 *COMPENSATION PRACTICES.*—Not later than 270 days after
9 the date of enactment of this Act, the Director shall submit
10 to the Committee on Banking, Housing, and Urban Affairs
11 of the Senate and the Committee on Financial Services of
12 the House of Representatives a report on loan originator
13 compensation practices throughout the residential mortgage
14 market, including the relative frequency of loan originators
15 being compensated—

16 (1) with a salary;

17 (2) with a commission reflecting a fixed percent-
18 age of the amount of credit extended;

19 (3) with a commission based on a factor other
20 than a fixed percentage of the amount of credit ex-
21 tended;

22 (4) with a combination of salary and commis-
23 sion;

24 (5) on a loan volume basis;

1 (6) *with a commission reflecting a percentage of*
2 *the amount of credit extended, for which a minimum*
3 *or maximum compensation amount is set; and*

4 (7) *by any other mechanism that the Director*
5 *may find to be a practice for compensating mortgage*
6 *loan originators, including any mechanism that pro-*
7 *vides a loan originator with compensation in such a*
8 *way that the loan originator does not necessarily re-*
9 *ceive a lower level of compensation for originating a*
10 *small dollar mortgage than the loan originator would*
11 *receive for originating a mortgage loan that is not a*
12 *small dollar mortgage.*

13 (c) *CONTENTS.—The report required under subsection*
14 *(b) shall include—*

15 (1) *data and other analysis regarding the effect*
16 *of the approaches to loan originator compensation de-*
17 *scribed in subsection (b) on the availability of small*
18 *dollar mortgage loans; and*

19 (2) *an analysis and a discussion regarding po-*
20 *tential barriers to small dollar mortgage lending.*

21 (d) *RULEMAKING.—Following the issuance of the re-*
22 *port required under subsection (b), the Director may issue*
23 *regulations to clarify the forms of compensation a lender*
24 *may use to compensate a loan originator that—*

1 (1) are permissible pursuant to section 129B(c)
2 of the Truth in Lending Act (15 U.S.C. 1639b(c));
3 and

4 (2) would result in the loan originator receiving
5 compensation for originating a small dollar mortgage
6 that is not less than the compensation the loan origi-
7 nator would receive for originating a mortgage loan
8 that is not a small dollar mortgage.

9 **SEC. 402. SMALL DOLLAR MORTGAGE POINTS AND FEES.**

10 (a) *SMALL DOLLAR MORTGAGE DEFINED.*—In this
11 section, the term “small dollar mortgage” means a mortgage
12 with an original principal obligation of less than \$100,000.

13 (b) *AMENDMENTS.*—

14 (1) *IN GENERAL.*—Not later than 270 days after
15 the date of enactment of this Act, the Director of the
16 Bureau of Consumer Financial Protection, in con-
17 sultation with the Secretary of Housing and Urban
18 Development and the Director of the Federal Housing
19 Finance Agency, shall evaluate the impact of the
20 thresholds under section 1026.43 of title 12, Code of
21 Federal Regulations (as in effect on the date of enact-
22 ment of this Act), on small dollar mortgage origina-
23 tions.

24 (2) *RULEMAKING.*—Following the evaluation re-
25 quired under paragraph (1), the Director of the Bu-

1 *reau of Consumer Financial Protection may promul-*
2 *gate regulations to amend the limitations with respect*
3 *to points and fees under section 1026.43 of title 12,*
4 *Code of Federal Regulations, or any successor regula-*
5 *tion, to encourage additional lending for small dollar*
6 *mortgages.*

7 **SEC. 403. APPRAISAL INDUSTRY IMPROVEMENT ACT.**

8 *(a) APPRAISAL STANDARDS.—*

9 *(1) CERTIFICATION OR LICENSING.—*

10 *(A) IN GENERAL.—Section 202(g)(5) of the*
11 *National Housing Act (12 U.S.C. 1708(g)(5)) is*
12 *amended—*

13 *(i) by moving the paragraph two ems*
14 *to the left; and*

15 *(ii) by striking subparagraphs (A) and*
16 *(B) and inserting the following:*

17 *“(A) be certified or licensed by the State in*
18 *which the property to be appraised is located, except*
19 *that an appraiser who has as their primary duty*
20 *conducting appraisal-related activities and who*
21 *chooses to become a State-licensed or certified real es-*
22 *tate appraiser need only to be licensed or certified in*
23 *1 State or territory to perform appraisals on mort-*
24 *gages insured by the Federal Housing Administration*
25 *in all States and territories;*

1 “(B) meet the requirements under the com-
2 petency rule set forth in the Uniform Standards of
3 Professional Appraisal Practice before accepting an
4 assignment; and

5 “(C) have demonstrated verifiable education in
6 the appraisal requirements established by the Federal
7 Housing Administration under this subsection, which
8 shall include the completion of a course or seminar
9 that educates appraisers on those appraisal require-
10 ments, which shall be provided by—

11 “(i) the Federal Housing Administration;

12 or

13 “(ii) a third party, if the course is ap-
14 proved by the Secretary or a State appraiser cer-
15 tifying or licensing agency.”.

16 (B) APPLICATION.—Subparagraph (C) of
17 section 202(g)(5) of the National Housing Act
18 (12 U.S.C. 1708(g)(5)), as added by subpara-
19 graph (A), shall not apply with respect to any
20 certified appraiser approved by the Federal
21 Housing Administration to conduct appraisals
22 on property securing a mortgage to be insured
23 by the Federal Housing Administration on or be-
24 fore the effective date described in paragraph
25 (3)(C).

1 (2) *COMPLIANCE WITH VERIFIABLE EDUCATION*
2 *AND COMPETENCY REQUIREMENTS.*—*On and after the*
3 *effective date described in paragraph (3)(C), no ap-*
4 *praiser may conduct an appraisal on a property se-*
5 *curing a mortgage to be insured by the Federal Hous-*
6 *ing Administration unless—*

7 (A) *the appraiser is in compliance with the*
8 *requirements of subparagraphs (A) and (B) of*
9 *section 202(g)(5) of the National Housing Act*
10 *(12 U.S.C. 1708(g)(5)), as amended by para-*
11 *graph (1); and*

12 (B) *if the appraiser was not approved by*
13 *the Federal Housing Administration to conduct*
14 *appraisals on mortgages insured by the Federal*
15 *Housing Administration before the date on*
16 *which the mortgagee letter or guidance takes ef-*
17 *fect under paragraph (3)(C), the appraiser is in*
18 *compliance with subparagraph (C) of such sec-*
19 *tion 202(g)(5).*

20 (3) *IMPLEMENTATION.*—*Not later than the 240*
21 *days after the date of enactment of this Act, the Sec-*
22 *retary of Housing and Urban Development shall issue*
23 *a mortgagee letter or guidance that—*

24 (A) *implements the amendments made by*
25 *paragraph (1);*

1 *(B) clearly sets forth all of the specific re-*
2 *quirements under section 202(g)(5) of the Na-*
3 *tional Housing Act (12 U.S.C. 1708(g)(5)), as*
4 *amended by paragraph (1), for approval to con-*
5 *duct appraisals on property secured by a mort-*
6 *gage to be insured by the Federal Housing Ad-*
7 *ministration, which shall include—*

8 *(i) providing that, before the effective*
9 *date of the mortgagee letter or guidance,*
10 *compliance with the requirements under*
11 *subparagraphs (A), (B), and (C) of such*
12 *section 202(g)(5), as amended by paragraph*
13 *(1), shall be considered to fulfill the require-*
14 *ments under such subparagraphs; and*

15 *(ii) providing a method for appraisers*
16 *to demonstrate such prior compliance; and*

17 *(C) takes effect not later than the date that*
18 *is 180 days after the date on which the Secretary*
19 *issues the mortgagee letter or guidance.*

20 *(b) ANNUAL REGISTRY FEES FOR APPRAISAL MAN-*
21 *AGEMENT COMPANIES.—Section 1109(a) of the Financial*
22 *Institutions Reform, Recovery, and Enforcement Act of*
23 *1989 (12 U.S.C. 3338(a)) is amended, in the matter fol-*
24 *lowing clause (ii) of paragraph (4)(B), by adding at the*
25 *end the following: “Subject to the approval of the Council,*

1 *the Appraisal Subcommittee may adjust fees established*
 2 *under clause (i) or (ii) to carry out its functions under*
 3 *this Act.”.*

4 (c) *STATE CREDENTIALLED TRAINEES.—*

5 (1) *MAINTENANCE ON NATIONAL REGISTRY.—*

6 *Section 1103(a) of the Financial Institutions Reform,*
 7 *Recovery, and Enforcement Act of 1989 (12 U.S.C.*
 8 *3332(a)) is amended—*

9 (A) *in paragraph (3)—*

10 (i) *by inserting “and State*
 11 *credentialed trainee appraisers” after “li-*
 12 *censed appraisers”; and*

13 (ii) *by striking “and” at the end;*

14 (B) *by striking paragraph (4);*

15 (C) *by redesignating paragraphs (5) and*
 16 *(6) as paragraphs (4) and (5), respectively; and*

17 (D) *in paragraph (4), as so redesignated—*

18 (i) *by striking “year. The report shall*
 19 *also detail” and inserting “year, detailing”;*

20 (ii) *by striking “provide” and insert-*
 21 *ing “provides”; and*

22 (iii) *by striking the period at the end*
 23 *and inserting “; and”.*

24 (2) *ANNUAL REGISTRY FEES.—*

1 (A) *IN GENERAL.*—Section 1109 of the Fi-
2 nancial Institutions Reform, Recovery, and En-
3 forcement Act of 1989 (12 U.S.C. 3338) is
4 amended—

5 (i) in the section heading, by striking
6 “certified or licensed” and inserting “, cer-
7 tified, licensed, and credentialed trainee”;
8 and

9 (ii) in subsection (a)—

10 (I) in paragraph (1), by inserting
11 “, and in the case of a State with a su-
12 pervisory or trainee program, a roster
13 listing individuals who have received a
14 State trainee credential” after “this
15 title”; and

16 (II) by striking paragraph (2)
17 and inserting the following:

18 “(2) transmit reports on the issuance and re-
19 newal of licenses, certifications, credentials, sanctions,
20 and disciplinary actions, including license, creden-
21 tial, and certification revocations, on a timely basis
22 to the national registry of the Appraisal Sub-
23 committee;”.

24 (B) *RULE OF CONSTRUCTION.*—Nothing in
25 the amendments made by subparagraph (A) shall

1 *require a State to establish or operate a program*
2 *for State credentialed trainee appraisers, as de-*
3 *defined in paragraph (12) of section 1121 of the*
4 *Financial Institutions Reform, Recovery, and*
5 *Enforcement Act of 1989, as added by paragraph*
6 *(4) of this subsection.*

7 (3) *TRANSACTIONS REQUIRING THE SERVICES OF*
8 *A STATE CERTIFIED APPRAISER.—Section 1113 of the*
9 *Financial Institutions Reform, Recovery, and En-*
10 *forcement Act of 1989 (12 U.S.C. 3342) is amended—*

11 (A) *by striking “In determining” and in-*
12 *serting “(a) IN GENERAL.—In determining”;*
13 *and*

14 (B) *by adding at the end the following:*

15 “(b) *USE OF STATE CREDENTIALLED TRAINEE AP-*
16 *PRAISERS.—In performing an appraisal under this section,*
17 *a State certified appraiser may use the assistance of a State*
18 *credentialed trainee appraiser or an unlicensed trainee ap-*
19 *praiser, except that the State certified appraiser assisted*
20 *by a trainee shall be liable for appraisal and valuation*
21 *work.”.*

22 (4) *DEFINITION.—Section 1121 of the Financial*
23 *Institutions Reform, Recovery, and Enforcement Act*
24 *of 1989 (12 U.S.C. 3350) is amended by adding at*
25 *the end the following:*

1 “(12) *STATE CREDENTIALLED TRAINEE AP-*
2 *PRAISER.*—*The term ‘State credentialed trainee ap-*
3 *praiser’ means an individual who—*

4 “(A) *meets the minimum criteria estab-*
5 *lished by the Appraiser Qualification Board for*
6 *a trainee appraiser credential; and*

7 “(B) *is credentialed by a State appraiser*
8 *certifying and licensing agency.”.*

9 (d) *GRANTS FOR WORKFORCE AND TRAINING.*—*Sec-*
10 *tion 1109(b) of the Financial Institutions Reform, Recov-*
11 *ery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is*
12 *amended—*

13 (1) *in paragraph (5)(B), by striking “and” at*
14 *the end;*

15 (2) *in paragraph (6), by striking the period at*
16 *the end and inserting “; and”; and*

17 (3) *by adding at the end the following:*

18 “(7) *to make grants to State appraiser certifying*
19 *and licensing agencies to support the carrying out of*
20 *education and training activities or other activities*
21 *related to addressing appraiser industry workforce*
22 *needs, including recruiting and retaining workforce*
23 *talent, such as through scholarship assistance and ca-*
24 *reer pipeline development, and such agencies shall re-*
25 *port on the use of funds and outcomes.”.*

1 (e) *APPRAISAL SUBCOMMITTEE.*—Section 1011 of the
2 *Federal Financial Institutions Examination Council Act of*
3 *1978 (12 U.S.C. 3310) is amended, in the first sentence,*
4 *by inserting “the Department of Veterans Affairs, the Rural*
5 *Housing Service of the Department of Agriculture, the De-*
6 *partment of Housing and Urban Development,” after “Fi-*
7 *nancial Protection,”.*

8 **SEC. 404. HELPING MORE FAMILIES SAVE ACT.**

9 Section 23 of the *United States Housing Act of 1937*
10 *(42 U.S.C. 1437u) is amended by adding at the end the*
11 *following:*

12 “(p) *ESCROW EXPANSION PILOT PROGRAM.*—

13 “(1) *DEFINITIONS.*—*In this subsection:*

14 “(A) *COVERED FAMILY.*—*The term ‘covered*
15 *family’ means a family that receives assistance*
16 *under section 8 or 9 of this Act and is enrolled*
17 *in the pilot program.*

18 “(B) *ELIGIBLE ENTITY.*—*The term ‘eligible*
19 *entity’ means an entity described in subsection*
20 *(c)(2).*

21 “(C) *PILOT PROGRAM.*—*The term ‘pilot*
22 *program’ means the pilot program established*
23 *under paragraph (2).*

24 “(D) *WELFARE ASSISTANCE.*—*The term*
25 *‘welfare assistance’ has the meaning given the*

1 *term in section 984.103 of title 24, Code of Fed-*
2 *eral Regulations, or any successor regulation.*

3 “(2) *ESTABLISHMENT.*—*The Secretary may es-*
4 *tablish a pilot program under which the Secretary*
5 *shall select not more than 25 eligible entities to estab-*
6 *lish and manage escrow accounts for not more than*
7 *5,000 covered families, in accordance with this sub-*
8 *section.*

9 “(3) *ESCROW ACCOUNTS.*—

10 “(A) *IN GENERAL.*—*An eligible entity se-*
11 *lected to participate in the pilot program—*

12 “(i) *shall establish an interest-bearing*
13 *escrow account and place into the account*
14 *an amount equal to any increase in the*
15 *amount of rent paid by each covered family*
16 *in accordance with the provisions of section*
17 *3, 8(o), or 8(y), as applicable, that is at-*
18 *tributable to increases in earned income by*
19 *the covered families during the participa-*
20 *tion of each covered family in the pilot pro-*
21 *gram; and*

22 “(ii) *notwithstanding any other provi-*
23 *sion of law, may use funds it controls under*
24 *section 8 or 9 for purposes of making the es-*
25 *crow deposit for covered families assisted*

1 *under, or residing in units assisted under,*
2 *section 8 or 9, respectively, provided such*
3 *funds are offset by the increase in the*
4 *amount of rent paid by the covered family.*

5 “(B) *INCOME LIMITATION.*—*An eligible en-*
6 *tity may not escrow any amounts for any cov-*
7 *ered family whose adjusted income exceeds 80*
8 *percent of the area median income at the time*
9 *of enrollment.*

10 “(C) *WITHDRAWALS.*—*A covered family*
11 *may withdraw funds, including interest earned,*
12 *from an escrow account established by an eligible*
13 *entity under the pilot program—*

14 “(i) *after the covered family ceases to*
15 *receive welfare assistance; and*

16 “(ii)(I) *not earlier than the date that*
17 *is 5 years after the date on which the eligi-*
18 *ble entity establishes the escrow account*
19 *under this subsection;*

20 “(II) *not later than the date that is 7*
21 *years after the date on which the eligible en-*
22 *tity establishes the escrow account under*
23 *this subsection, if the covered family chooses*
24 *to continue to participate in the pilot pro-*
25 *gram after the date that is 5 years after the*

1 *date on which the eligible entity establishes*
2 *the escrow account;*

3 “(III) *on the date the covered family*
4 *ceases to receive housing assistance under*
5 *section 8 or 9, if such date is earlier than*
6 *5 years after the date on which the eligible*
7 *entity establishes the escrow account;*

8 “(IV) *earlier than 5 years after the*
9 *date on which the eligible entity establishes*
10 *the escrow account, if the covered family is*
11 *using the funds to advance a self-sufficiency*
12 *goal as approved by the eligible entity;*

13 “(V) *for any reason listed under sec-*
14 *tion 984.303(k) of title 24, Code of Federal*
15 *Regulations; or*

16 “(VI) *under other circumstances in*
17 *which the Secretary determines an exemp-*
18 *tion for good cause is warranted.*

19 “(D) *INTERIM RECERTIFICATION.—For pur-*
20 *poses of the pilot program, a covered family may*
21 *recertify the income of the covered family mul-*
22 *tiple times per year at the request of the partici-*
23 *pating family, as determined by the Secretary,*
24 *and not less frequently than once per year, un-*
25 *less the eligible entity has established an alter-*

1 *native rent structure with approval from the*
2 *Secretary.*

3 “(E) *CONTRACT OR PLAN.*—*A covered fam-*
4 *ily is not required to complete a standard con-*
5 *tract of participation or an individual training*
6 *and services plan in order to participate in the*
7 *pilot program.*

8 “(4) *EFFECT OF INCREASES IN FAMILY IN-*
9 *COME.*—*Any increase in the earned income of a cov-*
10 *ered family during the enrollment of the family in the*
11 *pilot program may not be considered as income or a*
12 *resource for purposes of eligibility of the family for*
13 *other benefits, or amount of benefits payable to the*
14 *family, under any program administered by the Sec-*
15 *retary.*

16 “(5) *APPLICATION.*—

17 “(A) *IN GENERAL.*—*An eligible entity seek-*
18 *ing to participate in the pilot program shall sub-*
19 *mit to the Secretary an application—*

20 “(i) *at such time, in such manner, and*
21 *containing such information as the Sec-*
22 *retary may require by notice; and*

23 “(ii) *that includes the number of pro-*
24 *posed covered families to be served by the el-*
25 *igible entity under this subsection.*

1 “(B) *GEOGRAPHIC AND ENTITY VARIETY.*—
2 *The Secretary shall ensure that eligible entities*
3 *selected to participate in the pilot program—*

4 “(i) *are located across various States*
5 *and in both urban and rural areas; and*

6 “(ii) *vary by size and type, including*
7 *both public housing agencies and private*
8 *owners of projects receiving project-based*
9 *rental assistance under section 8.*

10 “(6) *NOTIFICATION AND OPT-OUT.*—*An eligible*
11 *entity participating in the pilot program shall—*

12 “(A) *notify covered families of their enroll-*
13 *ment in the pilot program;*

14 “(B) *provide covered families with a de-*
15 *tailed description of the pilot program, including*
16 *how the pilot program will impact their rent*
17 *and finances;*

18 “(C) *inform covered families that the fami-*
19 *lies cannot simultaneously participate in the*
20 *pilot program and the Family Self-Sufficiency*
21 *program under this section; and*

22 “(D) *provide covered families with the abil-*
23 *ity to elect not to participate in the pilot pro-*
24 *gram—*

1 “(i) not less than 2 weeks before the
2 date on which the escrow account is estab-
3 lished under paragraph (3); and

4 “(ii) at any point during the duration
5 of the pilot program.

6 “(7) *MAXIMUM RENTS.*—During the term of par-
7 ticipation by a covered family in the pilot program,
8 the amount of rent paid by the covered family shall
9 be calculated under the rental provisions of section 3
10 or 8(o), as applicable.

11 “(8) *PILOT PROGRAM TIMELINE.*—

12 “(A) *AWARDS.*—Not later than 1 year after
13 establishing the pilot program, the Secretary
14 shall select the eligible entities to participate in
15 the pilot program.

16 “(B) *ESTABLISHMENT AND TERM OF AC-*
17 *COUNTS.*—An eligible entity selected to partici-
18 pate in the pilot program shall—

19 “(i) not later than 6 months after se-
20 lection, establish escrow accounts under
21 paragraph (3) for covered families; and

22 “(ii) maintain those escrow accounts
23 for not less than 5 years, or until a deter-
24 mination is made for termination with FSS
25 escrow disbursement under section

1 984.303(k) of title 24, Code of Federal Reg-
2 ulations, or until the date the family ceases
3 to receive assistance under section 8 or 9,
4 and, at the discretion of the covered family,
5 not more than 7 years after the date on
6 which the escrow account is established.

7 “(9) *NONPARTICIPATION AND HOUSING ASSIST-*
8 *ANCE.—*

9 “(A) *IN GENERAL.—*Assistance under sec-
10 tion 8 or 9 for a family that elects not to par-
11 ticipate in the pilot program shall not be delayed
12 or denied by reason of such election.

13 “(B) *NO TERMINATION.—*Housing assist-
14 ance may not be terminated as a consequence of
15 participating, or not participating, in the pilot
16 program under this subsection for any period.

17 “(10) *STUDY.—*Not later than 10 years after the
18 date the Secretary selects eligible entities to partici-
19 pate in the pilot program under this subsection, the
20 Secretary shall, if awards were made, conduct a study
21 and submit to the Committee on Banking, Housing,
22 and Urban Affairs of the Senate and the Committee
23 on Financial Services of the House of Representatives
24 a report on outcomes for covered families under the
25 pilot program, which shall evaluate the effectiveness of

1 *the pilot program in assisting families to achieve eco-*
 2 *nomie independence and self-sufficiency, and the im-*
 3 *pact coaching and supportive services, or the lack*
 4 *thereof, had on individual incomes.*

5 “(11) *WAIVERS.*—*To allow selected eligible enti-*
 6 *ties to effectively administer the pilot program and*
 7 *make the required escrow account deposits under this*
 8 *subsection, the Secretary may waive requirements*
 9 *under this section.*

10 “(12) *TERMINATION.*—*The pilot program under*
 11 *this subsection shall terminate on the date that is 10*
 12 *years after the date of enactment of this subsection.*

13 “(13) *ELIGIBLE USES OF APPROPRIATIONS.*—
 14 *Subject to the appropriation of funds, the Secretary*
 15 *may use funds—*

16 “(A) *for technical assistance related to im-*
 17 *plementation of the pilot program; and*

18 “(B) *to carry out an evaluation of the pilot*
 19 *program under paragraph (10).”.*

20 **SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.**

21 (a) *SATISFACTION OF INSPECTION REQUIREMENTS*
 22 *THROUGH PARTICIPATION IN OTHER HOUSING PRO-*
 23 *GRAMS.*—*Section 8(o)(8) of the United States Housing Act*
 24 *of 1937 (42 U.S.C. 1437f(o)(8)) is amended by adding at*
 25 *the end the following:*

1 “(I) *SATISFACTION OF INSPECTION RE-*
2 *QUIREMENTS THROUGH PARTICIPATION IN*
3 *OTHER HOUSING PROGRAMS.—*

4 “(i) *LOW-INCOME HOUSING TAX CRED-*
5 *IT-FINANCED BUILDINGS.—A dwelling unit*
6 *shall be deemed to meet the inspection re-*
7 *quirements under this paragraph if—*

8 “(I) *the dwelling unit is in a*
9 *building, the acquisition, rehabilita-*
10 *tion, or construction of which was done*
11 *by a building owner who may be eligi-*
12 *ble for low-income housing credits be-*
13 *cause the building had been allocated a*
14 *housing credit dollar amount under*
15 *section 42(h) of the Internal Revenue*
16 *Code of 1986 or is described in section*
17 *42(h)(4) of such Code (concerning*
18 *buildings that meet a criterion for a*
19 *certain amount of tax-exempt financ-*
20 *ing);*

21 “(II) *the dwelling unit, during the*
22 *preceding 12-month period, was phys-*
23 *ically inspected and satisfied the suit-*
24 *ability-for-occupancy requirement in*

1 *section 42(i)(3)(B)(ii) of such Code;*
2 *and*

3 *“(III) the applicable public hous-*
4 *ing agency performed the inspection*
5 *itself or is able to obtain the results of*
6 *the inspection described in subclause*
7 *(II).*

8 *“(ii) HOME INVESTMENT PARTNER-*
9 *SHIPS PROGRAM.—A dwelling shall be*
10 *deemed to meet the inspection requirements*
11 *under this paragraph if—*

12 *“(I) the dwelling unit is assisted*
13 *under the HOME Investment Partner-*
14 *ships Program under title II of the*
15 *Cranston-Gonzalez National Affordable*
16 *Housing Act (42 U.S.C. 12721 et seq.);*

17 *“(II) the dwelling unit was phys-*
18 *ically inspected and passed inspection*
19 *as part of the program described in*
20 *subclause (I) during the preceding 12-*
21 *month period; and*

22 *“(III) the applicable public hous-*
23 *ing agency is able to obtain the results*
24 *of the inspection described in subclause*
25 *(II).*

1 “(iii) *RURAL HOUSING SERVICE.*—A
2 *dwelling unit shall be deemed to meet the*
3 *inspection requirements under this para-*
4 *graph if—*

5 “(I) *the dwelling unit is assisted*
6 *by the Rural Housing Service of the*
7 *Department of Agriculture;*

8 “(II) *the dwelling unit was phys-*
9 *ically inspected and passed inspection*
10 *in connection with the assistance de-*
11 *scribed in subclause (I) during the pre-*
12 *ceding 12-month period; and*

13 “(III) *the applicable public hous-*
14 *ing agency is able to obtain the results*
15 *of the inspection described in subclause*
16 *(II).*

17 “(iv) *REMOTE OR VIDEO INSPEC-*
18 *TIONS.*—*When complying with inspection*
19 *requirements for a housing unit located in*
20 *a rural or small area using assistance*
21 *under this section, the Secretary may allow*
22 *a grantee to conduct a remote or video in-*
23 *spection of a unit.*

24 “(v) *RULE OF CONSTRUCTION.*—*Noth-*
25 *ing in clause (i), (ii), (iii), or (iv) shall be*

1 *construed to affect the operation of a hous-*
2 *ing program described in, or authorized*
3 *under a provision of law described in, that*
4 *clause.”.*

5 *(b) PRE-APPROVAL OF UNITS.—Section 8(o)(8)(A) of*
6 *the United States Housing Act of 1937 (42 U.S.C.*
7 *1437f(o)(8)(A)) is amended by adding at the end the fol-*
8 *lowing:*

9 *“(iv) INITIAL INSPECTION PRIOR TO*
10 *LEASE AGREEMENT.—*

11 *“(I) DEFINITION.—In this clause,*
12 *the term ‘new landlord’ means an*
13 *owner of a dwelling unit who has not*
14 *previously entered into a housing as-*
15 *sistance payment contract with a pub-*
16 *lic housing agency under this sub-*
17 *section for any dwelling unit.*

18 *“(II) EARLY INSPECTION.—Upon*
19 *the request of a new landlord, a public*
20 *housing agency may inspect the dwell-*
21 *ing unit owned by the new landlord to*
22 *determine whether the unit meets the*
23 *housing quality standards under sub-*
24 *paragraph (B) before the unit is se-*

1 lected by a tenant assisted under this
2 subsection.

3 “(III) *EFFECT.*—An inspection
4 conducted under subclause (II) that de-
5 termines that the dwelling unit meets
6 the housing quality standards under
7 subparagraph (B) shall satisfy this
8 subparagraph and subparagraph (C) if
9 the new landlord enters into a lease
10 agreement with a tenant assisted under
11 this subsection not later than 60 days
12 after the date of the inspection.

13 “(IV) *INFORMATION WHEN FAMILY*
14 *IS SELECTED.*—When a public housing
15 agency selects a family to participate
16 in the tenant-based assistance program
17 under this subsection, the public hous-
18 ing agency shall include in the infor-
19 mation provided to the family a list of
20 dwelling units that have been inspected
21 under subclause (II) and determined to
22 meet the housing quality standards
23 under subparagraph (B).”.

1 **TITLE V—PROGRAM REFORM**

2 **SEC. 501. REFORMING DISASTER RECOVERY ACT.**

3 (a) *DEFINITIONS.—In this section:*

4 (1) *DEPARTMENT.—The term “Department”*
5 *means the Department of Housing and Urban Devel-*
6 *opment.*

7 (2) *FUND.—The term “Fund” means the Long-*
8 *Term Disaster Recovery Fund established under sub-*
9 *section (c).*

10 (3) *SECRETARY.—The term “Secretary” means*
11 *the Secretary of Housing and Urban Development.*

12 (b) *DUTIES OF THE DEPARTMENT OF HOUSING AND*
13 *URBAN DEVELOPMENT.—*

14 (1) *IN GENERAL.—The offices and officers of the*
15 *Department shall be responsible for—*

16 (A) *leading and coordinating the disaster-*
17 *related responsibilities of the Department under*
18 *the National Response Framework, the National*
19 *Disaster Recovery Framework, and the National*
20 *Mitigation Framework;*

21 (B) *coordinating and administering pro-*
22 *grams, policies, and activities of the Department*
23 *related to disaster relief, long-term recovery, re-*
24 *siliency, and mitigation, including disaster re-*
25 *covery assistance under title I of the Housing*

1 *and Community Development Act of 1974 (42*
2 *U.S.C. 5301 et seq.);*

3 *(C) supporting disaster-impacted commu-*
4 *nities as those communities specifically assess,*
5 *plan for, and address the housing stock and*
6 *housing needs in the transition from emergency*
7 *shelters and interim housing to permanent hous-*
8 *ing of those displaced, especially among vulner-*
9 *able populations and extremely low-, low-, and*
10 *moderate-income households;*

11 *(D) collaborating with the Federal Emer-*
12 *gency Management Agency and the Small Busi-*
13 *ness Administration and across the Department*
14 *to align disaster-related regulations and policies,*
15 *including incorporation of consensus-based codes*
16 *and standards and insurance purchase require-*
17 *ments, and ensuring coordination and reducing*
18 *duplication among other Federal disaster recov-*
19 *ery programs;*

20 *(E) promoting best practices in mitigation*
21 *and resilient land use planning;*

22 *(F) coordinating technical assistance, in-*
23 *cluding mitigation, resiliency, and recovery*
24 *training and information on all relevant legal*
25 *and regulatory requirements, to entities that re-*

1 *ceive disaster recovery assistance under title I of*
2 *the Housing and Community Development Act of*
3 *1974 (42 U.S.C. 5301 et seq.) that demonstrate*
4 *capacity constraints; and*

5 *(G) supporting State, Tribal, and local gov-*
6 *ernments in developing, coordinating, and main-*
7 *taining their capacity for disaster resilience and*
8 *recovery and developing pre-disaster recovery*
9 *and hazard mitigation plans, in coordination*
10 *with the Federal Emergency Management Agen-*
11 *cy and other Federal agencies.*

12 (2) *ESTABLISHMENT OF THE OFFICE OF DIS-*
13 *ASTER MANAGEMENT AND RESILIENCY.—Section 4 of*
14 *the Department of Housing and Urban Development*
15 *Act (42 U.S.C. 3533) is amended by adding at the*
16 *end the following:*

17 “(i) *OFFICE OF DISASTER MANAGEMENT AND RESIL-*
18 *IENCY.—*

19 “(1) *ESTABLISHMENT.—There is established the*
20 *Office of Disaster Management and Resiliency.*

21 “(2) *DUTIES.—The Office of Disaster Manage-*
22 *ment and Resiliency shall—*

23 “(A) *be responsible for oversight and coordi-*
24 *nation of all departmental disaster preparedness*
25 *and response responsibilities; and*

1 “(B) coordinate with the Federal Emer-
2 gency Management Agency, the Small Business
3 Administration, and other offices of the Depart-
4 ment in supporting recovery and resilience ac-
5 tivities to provide a comprehensive approach in
6 working with communities.”.

7 (c) *LONG-TERM DISASTER RECOVERY FUND.*—

8 (1) *ESTABLISHMENT.*—*There is established in*
9 *the Treasury of the United States an account to be*
10 *known as the Long-Term Disaster Recovery Fund.*

11 (2) *DEPOSITS, TRANSFERS, AND CREDIT.*—

12 (A) *IN GENERAL.*—*The Fund shall consist*
13 *of amounts appropriated, transferred, and cred-*
14 *ited to the Fund.*

15 (B) *TRANSFERS.*—*The following may be*
16 *transferred to the Fund:*

17 (i) *Amounts made available through*
18 *section 106(c)(4) of the Housing and Com-*
19 *munity Development Act of 1974 (42 U.S.C.*
20 *5306(c)(4)) as a result of actions taken*
21 *under section 104(e), 111, or 124(j) of such*
22 *Act.*

23 (ii) *Any unobligated balances available*
24 *until expended remaining or subsequently*
25 *recaptured from amounts appropriated for*

1 *any disaster and related purposes under the*
2 *heading “Community Development Fund”*
3 *in any Act prior to the establishment of the*
4 *Fund.*

5 (C) *USE OF TRANSFERRED AMOUNTS.—*
6 *Amounts transferred to the Fund shall be used*
7 *for the eligible uses described in paragraph (3).*

8 (3) *ELIGIBLE USES OF FUND.—*

9 (A) *IN GENERAL.—Amounts in the Fund*
10 *shall be available—*

11 *(i) to provide assistance in the form of*
12 *grants under section 124 of the Housing*
13 *and Community Development Act of 1974,*
14 *as added by subsection (d); and*

15 *(ii) for activities of the Department*
16 *that support the provision of such assist-*
17 *ance, including necessary salaries and ex-*
18 *penses, information technology, and capac-*
19 *ity building, technical assistance, and pre-*
20 *disaster readiness.*

21 (B) *SET-ASIDE.—Of each amount appro-*
22 *priated for or transferred to the Fund, 3 percent*
23 *shall be made available for activities described in*
24 *subparagraph (A)(ii), which shall be in addition*

1 to other amounts made available for those activi-
2 ties.

3 (C) *TRANSFER OF FUNDS.*—With respect to
4 amounts made available for use in accordance
5 with subparagraph (B)—

6 (i) amounts may be transferred to the
7 account under the heading for “Program
8 Offices—Salaries and Expenses—Communi-
9 ty Planning and Development”, or any
10 successor account, for the Department to
11 carry out activities described in subpara-
12 graph(B); and

13 (ii) amounts may be used for the ac-
14 tivities described in subparagraph (A)(ii)
15 and for the administrative costs of admin-
16 istering any funds appropriated to the De-
17 partment under the heading “Community
18 Planning and Development—Community
19 Development Fund” for any major disaster
20 declared under section 401 of the Robert T.
21 Stafford Disaster Relief and Emergency As-
22 sistance Act (42 U.S.C. 5170) in any Act
23 before the establishment of the Fund.

24 (D) *INSPECTOR GENERAL.*—

1 (i) *IN GENERAL.*—Not less than one-
2 tenth of 1 percent of each series of awards
3 the Secretary makes from the Fund shall be
4 transferred to the account under the heading
5 “Office of Inspector General” for the De-
6 partment of Housing and Urban Develop-
7 ment to support audit activities and to in-
8 vestigate grantee noncompliance with pro-
9 gram requirements and waste, fraud, and
10 abuse as a result of appropriations made
11 available through the Fund.

12 (ii) *AVAILABILITY.*—Funding under
13 clause (i) shall not be made available to the
14 Office of Inspector General until 90 days
15 after the date on which the grantee plan or
16 supplemental plan for the grantee is ap-
17 proved by the Secretary under subsection (c)
18 or (f)(3)(C) of section 124 of the Housing
19 and Community Development Act of 1974,
20 as added by subsection (d), is approved by
21 the Secretary.

22 (4) *INTERCHANGEABILITY OF PRIOR ADMINIS-*
23 *TRATIVE AMOUNTS.*—Any amounts appropriated in
24 any Act prior to the establishment of the Fund and
25 transferred to the account under the heading “Pro-

1 *gram Offices—Salaries and Expenses—Community*
2 *Planning and Development”, or any predecessor ac-*
3 *count, for the Department for the costs of admin-*
4 *istering funds appropriated to the Department under*
5 *the heading “Community Planning and Develop-*
6 *ment—Community Development Fund” for any*
7 *major disaster declared under section 401 of the Rob-*
8 *ert T. Stafford Disaster Relief and Emergency Assist-*
9 *ance Act (42 U.S.C. 5170) shall be available for the*
10 *costs of administering any such funds provided by*
11 *any prior or future Act, notwithstanding the purposes*
12 *for which those amounts were appropriated and in*
13 *addition to any amount provided for the same pur-*
14 *poses in other appropriations Acts.*

15 (5) *AVAILABILITY OF AMOUNTS.—Amounts ap-*
16 *propriated, transferred, and credited to the Fund*
17 *shall remain available until expended.*

18 (6) *FORMULA ALLOCATION.—Use of amounts in*
19 *the Fund for grants shall be made by formula alloca-*
20 *tion in accordance with the requirements of section*
21 *124(a) of the Housing and Community Development*
22 *Act of 1974, as added by subsection (d).*

23 (d) *ESTABLISHMENT OF CDBG DISASTER RECOVERY*
24 *PROGRAM.—Title I of the Housing and Community Devel-*

1 *opment Act of 1974 (42 U.S.C. 5301 et seq.), as amended*
2 *by this Act, is amended—*

3 *(1) in section 102(a) (42 U.S.C. 5302(a))—*

4 *(A) in paragraph (20)—*

5 *(i) by redesignating subparagraph (B)*
6 *as subparagraph (C);*

7 *(ii) in subparagraph (C), as so redesi-*
8 *gnated, by inserting “or (B)” after “subpara-*
9 *graph (A)”;* and

10 *(iii) by inserting after subparagraph*
11 *(A) the following:*

12 *“(B) The term ‘persons of extremely low income’*
13 *means families and individuals whose income levels*
14 *do not exceed household income levels determined by*
15 *the Secretary under section 3(b)(2) of the United*
16 *States Housing Act of 1937 (42 U.S.C.*
17 *1437a(b)(2)(C)), except that the Secretary may pro-*
18 *vide alternative definitions for the Commonwealth of*
19 *Puerto Rico, Guam, the Commonwealth of the North-*
20 *ern Mariana Islands, the United States Virgin Is-*
21 *lands, and American Samoa.”;* and

22 *(B) by adding at the end the following:*

23 *“(25) The term ‘major disaster’ has the meaning*
24 *given the term in section 102 of the Robert T. Staf-*

1 *ford Disaster Relief and Emergency Assistance Act*
2 *(42 U.S.C. 5122).”;*

3 *(2) in section 106(c)(4) (42 U.S.C. 5306(c)(4))—*

4 *(A) in subparagraph (A)—*

5 *(i) by striking “declared by the Presi-*
6 *dent under the Robert T. Stafford Disaster*
7 *Relief and Emergency Assistance Act”;*

8 *(ii) by inserting “States for use in*
9 *nonentitlement areas and to” before “metro-*
10 *politan cities”;* and

11 *(iii) by inserting “major” after “af-*
12 *ected by the”;*

13 *(B) in subparagraph (C)—*

14 *(i) by striking “metropolitan city or”*
15 *and inserting “State, metropolitan city,*
16 *or”;*

17 *(ii) by striking “city or county” and*
18 *inserting “State, city, or county”;* and

19 *(iii) by inserting “major” before “dis-*
20 *aster”;*

21 *(C) in subparagraph (D), by striking “met-*
22 *ropolitan cities and” and inserting “States, met-*
23 *ropolitan cities, and”;*

24 *(D) in subparagraph (F)—*

1 (i) by striking “metropolitan city or”
 2 and inserting “State, metropolitan city,
 3 or”; and

4 (ii) by inserting “major” before “dis-
 5 aster”; and

6 (E) in subparagraph (G), by striking “met-
 7 ropolitan city or” and inserting “State, metro-
 8 politan city, or”;

9 (3) in section 122 (42 U.S.C. 5321), by striking
 10 “disaster under title IV of the Robert T. Stafford Dis-
 11 aster Relief and Emergency Assistance Act” and in-
 12 serting “major disaster”; and

13 (4) by adding at the end the following:

14 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**
 15 **ASTER RECOVERY PROGRAM.**

16 “(a) AUTHORIZATION, FORMULA, AND ALLOCATION.—

17 “(1) AUTHORIZATION.—The Secretary is author-
 18 ized to make community development block grant dis-
 19 aster recovery grants from the Long-Term Disaster
 20 Recovery Fund established under section 501(c) of the
 21 21st Century ROAD to Housing Act (hereinafter re-
 22 ferred to as the ‘Fund’) for necessary expenses for ac-
 23 tivities authorized under subsection (f)(1) related to
 24 disaster relief, long-term recovery, restoration of hous-
 25 ing and infrastructure, economic revitalization, and

1 *mitigation in the most impacted and distressed areas*
2 *resulting from a catastrophic major disaster.*

3 “(2) *GRANT AWARDS.*—*Grants shall be awarded*
4 *under this section to States, units of general local gov-*
5 *ernment, and Indian tribes based on capacity and the*
6 *concentration of damage, as determined by the Sec-*
7 *retary, to support the efficient and effective adminis-*
8 *tration of funds.*

9 “(3) *SECTION 106 ALLOCATIONS.*—*Grants under*
10 *this section shall not be considered relevant to the for-*
11 *mula allocations made pursuant to section 106.*

12 “(4) *FEDERAL REGISTER NOTICE.*—

13 “(A) *IN GENERAL.*—*Not later than 30 days*
14 *after the date of enactment of this section, the*
15 *Secretary shall issue a notice in the Federal Reg-*
16 *ister containing the latest formula allocation*
17 *methodologies used to determine the total esti-*
18 *mate of unmet needs related to housing, economic*
19 *revitalization, and infrastructure in the most*
20 *impacted and distressed areas resulting from a*
21 *catastrophic major disaster.*

22 “(B) *PUBLIC COMMENT.*—*If the Secretary*
23 *has not already requested public comment on the*
24 *formula described in the notice required by sub-*

1 *paragraph (A), the Secretary shall solicit public*
2 *comments on—*

3 *“(i) the methodologies described in sub-*
4 *paragraph (A) and seek alternative methods*
5 *for formula allocation within a similar*
6 *total amount of funding;*

7 *“(ii) the impact of formula methodolo-*
8 *gies on rural areas and Tribal areas;*

9 *“(iii) adjustments to improve targeting*
10 *to the most serious needs;*

11 *“(iv) objective criteria for grantee ca-*
12 *capacity and concentration of damage to in-*
13 *form grantee determinations and minimum*
14 *allocation thresholds; and*

15 *“(v) research and data to inform an*
16 *additional amount to be provided for miti-*
17 *gation depending on type of disaster, which*
18 *shall be up to 18 percent of the total esti-*
19 *mate of unmet needs.*

20 “(5) *REGULATIONS.—*

21 *“(A) IN GENERAL.—The Secretary shall, by*
22 *regulation, establish a formula to allocate assist-*
23 *ance from the Fund to the most impacted and*
24 *distressed areas resulting from a catastrophic*
25 *major disaster.*

1 “(B) *FORMULA REQUIREMENTS.*—*The for-*
2 *mula established under subparagraph (A)*
3 *shall—*

4 “(i) *set forth criteria to determine that*
5 *a major disaster is catastrophic, which cri-*
6 *teria shall consider the presence of a high*
7 *concentration of damaged housing or busi-*
8 *nesses that individual, State, Tribal, and*
9 *local resources could not reasonably be ex-*
10 *pected to address without additional Fed-*
11 *eral assistance or other nationally encom-*
12 *passing data that the Secretary determines*
13 *are adequate to assess relative impact and*
14 *distress across geographic areas;*

15 “(ii) *include a methodology for identi-*
16 *fying most impacted and distressed areas,*
17 *which shall consider unmet serious needs re-*
18 *lated to housing, economic revitalization,*
19 *and infrastructure;*

20 “(iii) *include an allocation calculation*
21 *that considers the unmet serious needs re-*
22 *sulting from the catastrophic major disaster*
23 *and an additional amount up to 18 percent*
24 *for activities to reduce risks of loss resulting*
25 *from other natural disasters in the most im-*

1 *pacted and distressed area, primarily for*
2 *the benefit of low- and moderate-income*
3 *persons, with particular focus on activities*
4 *that reduce repetitive loss of property and*
5 *critical infrastructure; and*

6 “(iv) *establish objective criteria for*
7 *periodic review and updates to the formula*
8 *to reflect changes in available data.*

9 “(C) *MINIMUM ALLOCATION THRESHOLD.—*
10 *The Secretary shall, by regulation, establish a*
11 *minimum allocation threshold.*

12 “(D) *INTERIM ALLOCATION.—Until such*
13 *time that the Secretary issues final regulations*
14 *under this paragraph, the Secretary shall—*

15 “(i) *allocate assistance from the Fund*
16 *using the formula allocation methodology*
17 *published in accordance with paragraph*
18 *(4); and*

19 “(ii) *include an additional amount for*
20 *mitigation of up to 18 percent of the total*
21 *estimate of unmet need.*

22 “(6) *ALLOCATION OF FUNDS.—*

23 “(A) *IN GENERAL.—The Secretary shall—*

24 “(i) *except as provided in clause (ii),*
25 *not later than 90 days after the President*

1 *declares a major disaster, use best available*
2 *data to determine whether the major dis-*
3 *aster is catastrophic and qualifies for assist-*
4 *ance under the formula described in para-*
5 *graph (4) or (5), unless data is insufficient*
6 *to make this determination; and*

7 “(i) if the best available data is insuf-

8 *ficient to make the determination required*
9 *under clause (i) within the 90-day period*
10 *described in that clause, determine whether*
11 *the major disaster qualifies when sufficient*
12 *data becomes available, but in no case shall*
13 *the Secretary make the determination later*
14 *than 120 days after the declaration of the*
15 *major disaster.*

16 “(B) *ANNOUNCEMENT OF ALLOCATION.*—If

17 *amounts are available in the Fund at the time*
18 *the Secretary determines that the major disaster*
19 *is catastrophic and qualifies for assistance under*
20 *the formula described in paragraph (4) or (5),*
21 *the Secretary shall immediately announce an al-*
22 *location for a grant under this section.*

23 “(C) *ADDITIONAL AMOUNTS.*—If additional

24 *amounts are appropriated to the Fund after*
25 *amounts are allocated under subparagraph (B),*

1 *the Secretary shall announce an allocation or*
2 *additional allocation (if a prior allocation under*
3 *subparagraph (B) was less than the formula cal-*
4 *culatation) within 15 days of any such appropria-*
5 *tion.*

6 “(7) *PRELIMINARY FUNDING.*—

7 “(A) *IN GENERAL.*—*To speed recovery, the*
8 *Secretary is authorized to allocate and award*
9 *preliminary grants from the Fund before making*
10 *a determination under paragraph (6)(A) if the*
11 *Secretary projects, based on a preliminary as-*
12 *essment of impact and distress, that a major*
13 *disaster is catastrophic and would likely qualify*
14 *for funding under the formula described in para-*
15 *graph (4) or (5).*

16 “(B) *AMOUNT.*—

17 “(i) *MAXIMUM.*—*The Secretary may*
18 *award preliminary funding under subpara-*
19 *graph (A) in an amount that is not more*
20 *than \$5,000,000.*

21 “(ii) *SLIDING SCALE.*—*The Secretary*
22 *shall, by regulation, establish a sliding scale*
23 *for preliminary funding awarded under*
24 *subparagraph (A) based on the size of the*

1 *preliminary assessment of impact and dis-*
2 *tress.*

3 “(C) *USE OF FUNDS.—The uses of prelimi-*
4 *nary funding awarded under subparagraph (A)*
5 *shall be limited to eligible activities that—*

6 “(i) *in the determination of the Sec-*
7 *retary, will support faster recovery, improve*
8 *the ability of the grantee to assess unmet re-*
9 *covery needs, plan for the prevention of im-*
10 *proper payments, and reduce fraud, waste,*
11 *and abuse; and*

12 “(ii) *may include evaluating the in-*
13 *terim housing, permanent housing, and*
14 *supportive service needs of the disaster im-*
15 *acted community, with special attention to*
16 *vulnerable populations, such as homeless*
17 *and low- to moderate-income households, to*
18 *inform the grantee action plan required*
19 *under subsection (c).*

20 “(D) *CONSIDERATION OF FUNDING.—Pre-*
21 *liminary funding awarded under subparagraph*
22 *(A)—*

23 “(i) *is not subject to the certification*
24 *requirements of subsection (h)(2); and*

1 “(ii) shall not be considered when cal-
2 culating the amount of the grant used for
3 administrative costs, technical assistance,
4 and planning activities that are subject to
5 the requirements under subsection (f)(3).

6 “(E) WAIVER.—To expedite the use of pre-
7 liminary funding for activities described in this
8 paragraph, the Secretary may waive or specify
9 alternative requirements to the requirements of
10 this section in accordance with subsection (i).

11 “(F) AMENDED AWARD.—

12 “(i) IN GENERAL.—An award for pre-
13 liminary funding under subparagraph (A)
14 may be amended to add any subsequent
15 amount awarded because of a determination
16 by the Secretary that a major disaster is
17 catastrophic and qualifies for assistance
18 under the formula.

19 “(ii) APPLICABILITY.—Notwith-
20 standing subparagraph (D), amounts pro-
21 vided by an amendment under clause (i)
22 are subject to the requirements under sub-
23 sections (f)(1) and (h)(1) and other require-
24 ments on grant funds under this section.

1 “(G) *TECHNICAL ASSISTANCE.*—*Concurrent*
2 *with the allocation of any preliminary funding*
3 *awarded under this paragraph, the Secretary*
4 *shall assign or provide technical assistance to the*
5 *recipient of the grant.*

6 “(b) *INTERCHANGEABILITY.*—

7 “(1) *IN GENERAL.*—*The Secretary is authorized*
8 *to approve the use of grants under this section to be*
9 *used interchangeably and without limitation for the*
10 *same activities in the most impacted and distressed*
11 *areas resulting from a declaration of another cata-*
12 *strophic major disaster that qualifies for assistance*
13 *under the formula established under paragraph (4) or*
14 *(5) of subsection (a) or a major disaster for which the*
15 *Secretary allocated funds made available under the*
16 *heading ‘Community Development Fund’ in any Act*
17 *prior to the establishment of the Fund.*

18 “(2) *REQUIREMENTS.*—*The Secretary shall es-*
19 *tablish requirements to expedite the use of grants*
20 *under this section for the purpose described in para-*
21 *graph (1).*

22 “(3) *EMERGENCY DESIGNATION.*—*Amounts*
23 *repurposed pursuant to this subsection that were pre-*
24 *viously designated by Congress as an emergency re-*
25 *quirement pursuant to the Balanced Budget and*

1 *Emergency Deficit Control Act of 1985 or a concu-*
2 *rent resolution on the budget are designated by the*
3 *Congress as being for an emergency requirement pur-*
4 *suant to section 4001(a)(1) of S. Con. Res. 14 (117th*
5 *Congress), the concurrent resolution on the budget for*
6 *fiscal year 2022, and to legislation establishing fiscal*
7 *year 2026 budget enforcement in the House of Rep-*
8 *resentatives.*

9 “(c) *GRANTEE PLANS.*—

10 “(1) *REQUIREMENT.*—*Not later than 90 days*
11 *after the date on which the Secretary announces a*
12 *grant allocation under this section, unless an exten-*
13 *sion is granted by the Secretary, the grantee shall*
14 *submit to the Secretary a plan for approval describ-*
15 *ing—*

16 “(A) *the activities the grantee will carry out*
17 *with the grant under this section;*

18 “(B) *the criteria of the grantee for award-*
19 *ing assistance and selecting activities;*

20 “(C) *how the use of the grant under this sec-*
21 *tion will address disaster relief, long-term recov-*
22 *ery, restoration of housing and infrastructure,*
23 *economic revitalization, and mitigation in the*
24 *most impacted and distressed areas;*

1 “(D) *how the use of the grant funds for*
2 *mitigation is consistent with hazard mitigation*
3 *plans submitted to the Federal Emergency Man-*
4 *agement Agency under section 322 of the Robert*
5 *T. Stafford Disaster Relief and Emergency As-*
6 *sistance Act (42 U.S.C. 5165);*

7 “(E) *the estimated amount proposed to be*
8 *used for activities that will benefit persons of low*
9 *and moderate income;*

10 “(F) *how the use of grant funds will repair*
11 *and replace existing housing stock for vulnerable*
12 *populations, including low- to moderate-income*
13 *households;*

14 “(G) *how the grantee will address the prior-*
15 *ities described in paragraph (5);*

16 “(H) *how uses of funds are proportional to*
17 *unmet needs, as required under paragraph (6);*

18 “(I) *for State grantees that plan to dis-*
19 *tribute grant amounts to units of general local*
20 *government, a description of the method of dis-*
21 *tribution; and*

22 “(J) *such other information as may be de-*
23 *termined by the Secretary in regulation.*

24 “(2) *PUBLIC CONSULTATION.—To permit public*
25 *examination and appraisal of the plan described in*

1 *paragraph (1), to enhance the public accountability of*
2 *grantee, and to facilitate coordination of activities*
3 *with different levels of government, when developing*
4 *the plan or substantial amendments proposed to the*
5 *plan required under paragraph (1), a grantee shall—*

6 *“(A) publish the plan before adoption;*

7 *“(B) provide citizens, affected units of gen-*
8 *eral local government, and other interested par-*
9 *ties with reasonable notice of, and opportunity to*
10 *comment on, the plan, with a public comment*
11 *period of not less than 14 days;*

12 *“(C) consider comments received before sub-*
13 *mission to the Secretary;*

14 *“(D) follow a citizen participation plan for*
15 *disaster assistance adopted by the grantee that,*
16 *at a minimum, provides for participation of*
17 *residents of the most impacted and distressed*
18 *area affected by the major disaster that resulted*
19 *in the grant under this section and other consid-*
20 *erations established by the Secretary; and*

21 *“(E) undertake any consultation with inter-*
22 *ested parties as may be determined by the Sec-*
23 *retary in regulation.*

24 *“(3) APPROVAL.—The Secretary shall—*

1 “(A) *by regulation, specify criteria for the*
2 *approval, partial approval, or disapproval of a*
3 *plan submitted under paragraph (1), including*
4 *approval of substantial amendments to the plan;*

5 “(B) *review a plan submitted under para-*
6 *graph (1) upon receipt of the plan;*

7 “(C) *allow a grantee to revise and resubmit*
8 *a plan or substantial amendment to a plan*
9 *under paragraph (1) that the Secretary dis-*
10 *approves;*

11 “(D) *by regulation, specify criteria for*
12 *when the grantee shall be required to provide the*
13 *required revisions to a disapproved plan or sub-*
14 *stantial amendment under paragraph (1) for*
15 *public comment prior to resubmission of the plan*
16 *or substantial amendment to the Secretary; and*

17 “(E) *approve, partially approve, or dis-*
18 *approve a plan or substantial amendment under*
19 *paragraph (1) not later than 60 days after the*
20 *date on which the plan or substantial amend-*
21 *ment is received by the Secretary.*

22 “(4) *LOW- AND MODERATE-INCOME OVERALL*
23 *BENEFIT.—*

24 “(A) *USE OF FUNDS.—Not less than 70 per-*
25 *cent of a grant made under this section shall be*

1 *used for activities that benefit persons of low and*
2 *moderate income unless the Secretary—*

3 *“(i) specifically finds that—*

4 *“(I) there is compelling need to*
5 *reduce the percentage for the grant;*
6 *and*

7 *“(II) the housing needs of low-*
8 *and moderate-income persons have*
9 *been addressed; and*

10 *“(ii) issues a waiver and alternative*
11 *requirement specific to the grant pursuant*
12 *to subsection (i) to lower the percentage.*

13 *“(B) REGULATIONS.—The Secretary shall,*
14 *by regulation, establish protocols that reflect the*
15 *required use of funds under subparagraph (A),*
16 *including persons with extremely and very low*
17 *incomes.*

18 *“(5) PRIORITIZATION.—The grantee shall*
19 *prioritize activities that—*

20 *“(A) assist persons with extremely low-,*
21 *low-, and moderate-incomes and other vulnerable*
22 *populations to better recover from and withstand*
23 *future disasters;*

24 *“(B) address housing needs arising from a*
25 *disaster, or those needs present prior to a dis-*

1 *aster, including the needs of both renters and*
2 *homeowners;*

3 *“(C) prolong the life of housing and infra-*
4 *structure;*

5 *“(D) use cost-effective means of preventing*
6 *harm to people and property and incorporate*
7 *protective features and redundancies; and*

8 *“(E) other measures that will assure the*
9 *continuation of critical services during future*
10 *disasters.*

11 *“(6) PROPORTIONAL ALLOCATION.—For each*
12 *specific disaster, a grantee under this section shall al-*
13 *locate grant funds proportional to unmet needs be-*
14 *tween housing activities for renters and homeowners,*
15 *economic revitalization, and infrastructure unless the*
16 *Secretary specifically finds that—*

17 *“(A) there is a compelling need for a dis-*
18 *proportional allocation among those unmet*
19 *needs; and*

20 *“(B) the disproportional allocation de-*
21 *scribed in subparagraph (A) is not inconsistent*
22 *with the requirements under paragraph (4).*

23 *“(7) DISASTER RISK MITIGATION.—*

24 *“(A) DEFINITION.—In this paragraph, the*
25 *term ‘hazard-prone areas’—*

1 “(i) means areas identified by the Sec-
2 retary, in consultation with the Adminis-
3 trator of the Federal Emergency Manage-
4 ment Agency, at risk from natural hazards
5 that threaten property damage or health,
6 safety, and welfare, such as floods, wildfires
7 (including Wildland-Urban Interface
8 areas), earthquakes, lava inundation, tor-
9 nados, and high winds; and

10 “(ii) includes areas having special
11 flood hazards as identified under the Flood
12 Disaster Protection Act of 1973 (42 U.S.C.
13 4002 et seq.) or the National Flood Insur-
14 ance Act of 1968 (42 U.S.C. 4001 et seq.).

15 “(B) HAZARD-PRONE AREAS.—The Sec-
16 retary, in consultation with the Administrator of
17 the Federal Emergency Management Agency,
18 shall establish minimum construction standards,
19 insurance purchase requirements, and other re-
20 quirements for the use of grant funds in hazard-
21 prone areas.

22 “(C) SPECIAL FLOOD HAZARDS.—

23 “(i) IN GENERAL.—For the areas de-
24 scribed in subparagraph (A)(ii), the insur-
25 ance purchase requirements established

1 *under subparagraph (B) shall meet or ex-*
2 *ceed the requirements under section 102(a)*
3 *of the Flood Disaster Protection Act of 1973*
4 *(42 U.S.C. 4012a(a)).*

5 “(i) *TREATMENT AS FINANCIAL AS-*
6 *SISTANCE.—All grants under this section*
7 *shall be treated as financial assistance for*
8 *purposes of section 3(a)(3) of the Flood Dis-*
9 *aster Protection Act of 1973 (42 U.S.C.*
10 *4003(a)(3)).*

11 “(D) *CONSIDERATION OF FUTURE RISKS.—*
12 *The Secretary may consider future risks to pro-*
13 *tecting property and health, safety, and general*
14 *welfare, and the likelihood of those risks, when*
15 *making the determination of or modification to*
16 *hazard-prone areas under this paragraph.*

17 “(8) *RELOCATION.—*

18 “(A) *IN GENERAL.—The Uniform Reloca-*
19 *tion Assistance and Real Property Acquisition*
20 *Policies Act of 1970 (42 U.S.C. 4601 et seq.)*
21 *shall apply to activities assisted under this sec-*
22 *tion to the extent determined by the Secretary in*
23 *regulation, or as provided in waivers or alter-*
24 *native requirements authorized in accordance*
25 *with subsection (i).*

1 “(B) *POLICY.*—*Each grantee under this sec-*
2 *tion shall establish a relocation assistance policy*
3 *that—*

4 “(i) *minimizes displacement and de-*
5 *scribes the benefits available to persons dis-*
6 *placed as a direct result of acquisition, re-*
7 *habilitation, or demolition in connection*
8 *with an activity that is assisted by a grant*
9 *under this section; and*

10 “(ii) *includes any appeal rights or*
11 *other requirements that the Secretary estab-*
12 *lishes by regulation.*

13 “(d) *CERTIFICATIONS.*—*Any grant under this section*
14 *shall be made only if the grantee certifies to the satisfaction*
15 *of the Secretary that—*

16 “(1) *the grantee is in full compliance with the*
17 *requirements under subsection (c)(2);*

18 “(2) *for grants other than grants to Indian*
19 *tribes, the grant will be conducted and administered*
20 *in conformity with the Civil Rights Act of 1964 (42*
21 *U.S.C. 2000a et seq.) and the Fair Housing Act (42*
22 *U.S.C. 3601 et seq.);*

23 “(3) *the projected use of funds has been developed*
24 *so as to give maximum feasible priority to activities*
25 *that will benefit recipients described in subsection*

1 *(c)(4)(A) and activities described in subsection (c)(5),*
2 *and may also include activities that are designed to*
3 *aid in the prevention or elimination of slum and*
4 *blight to support disaster recovery, meet other commu-*
5 *nity development needs having a particular urgency*
6 *because existing conditions pose a serious and imme-*
7 *diately threat to the health or welfare of the community*
8 *where other financial resources are not available to*
9 *meet such needs, and alleviate future threats to*
10 *human populations, critical natural resources, and*
11 *property that an analysis of hazards shows are likely*
12 *to result from natural disasters in the future;*

13 *“(4) the grant funds shall principally benefit*
14 *persons of low- and moderate-income as described in*
15 *subsection (c)(4)(A);*

16 *“(5) for grants other than grants to Indian*
17 *tribes, within 24 months of receiving a grant or at the*
18 *time of its 3- or 5-year update, whichever is sooner,*
19 *the grantee will review and make modifications to its*
20 *non-disaster housing and community development*
21 *plans and strategies required by subsections (c) and*
22 *(m) of section 104 to reflect the disaster recovery*
23 *needs identified by the grantee and consistency with*
24 *the plan under subsection (c)(1);*

1 “(6) the grantee will not attempt to recover any
2 *capital costs of public improvements assisted in whole*
3 *or part under this section by assessing any amount*
4 *against properties owned and occupied by persons of*
5 *low and moderate income, including any fee charged*
6 *or assessment made as a condition of obtaining access*
7 *to such public improvements, unless—*

8 “(A) funds received under this section are
9 *used to pay the proportion of such fee or assess-*
10 *ment that relates to the capital costs of such pub-*
11 *lic improvements that are financed from revenue*
12 *sources other than under this chapter; or*

13 “(B) for purposes of assessing any amount
14 *against properties owned and occupied by per-*
15 *sons of moderate income, the grantee certifies to*
16 *the Secretary that the grantee lacks sufficient*
17 *funds received under this section to comply with*
18 *the requirements of subparagraph (A);*

19 “(7) the grantee will comply with the other pro-
20 *visions of this title that apply to assistance under this*
21 *section and with other applicable laws;*

22 “(8) the grantee will follow a relocation assist-
23 *ance policy that includes any minimum requirements*
24 *identified by the Secretary; and*

1 “(9) *the grantee will adhere to construction*
2 *standards, insurance purchase requirements, and*
3 *other requirements for development in hazard-prone*
4 *areas described in subsection (c)(7).*

5 “(e) *PERFORMANCE REVIEWS AND REPORTING.—*

6 “(1) *IN GENERAL.—The Secretary shall, on not*
7 *less frequently than an annual basis until the closeout*
8 *of a particular grant allocation, make such reviews*
9 *and audits as may be necessary or appropriate to de-*
10 *termine whether a grantee under this section has—*

11 “(A) *carried out activities using grant*
12 *funds in a timely manner;*

13 “(B) *met the performance targets established*
14 *by paragraph (2);*

15 “(C) *carried out activities using grant*
16 *funds in accordance with the requirements of*
17 *this section, the other provisions of this title that*
18 *apply to assistance under this section, and other*
19 *applicable laws; and*

20 “(D) *a continuing capacity to carry out ac-*
21 *tivities in a timely manner.*

22 “(2) *PERFORMANCE TARGETS.—The Secretary*
23 *shall develop and make publicly available critical*
24 *performance targets for review, which shall include*
25 *spending thresholds for each year from the date on*

1 *which funds are obligated by the Secretary to the*
2 *grantee until such time all funds have been expended.*

3 “(3) *FAILURE TO MEET TARGETS.*—

4 “(A) *SUSPENSION.*—*If a grantee under this*
5 *section fails to meet 1 or more critical perform-*
6 *ance targets under paragraph (2), the Secretary*
7 *may temporarily suspend the grant.*

8 “(B) *PERFORMANCE IMPROVEMENT PLAN.*—
9 *If the Secretary suspends a grant under subpara-*
10 *graph (A), the Secretary shall provide to the*
11 *grantee a performance improvement plan with*
12 *the specific requirements needed to lift the sus-*
13 *pension within a defined time period.*

14 “(C) *REPORT.*—*If a grantee fails to meet*
15 *the spending thresholds established under para-*
16 *graph (2), the grantee shall submit to the Sec-*
17 *retary, the appropriate committees of Congress,*
18 *and each member of Congress who represents a*
19 *district or State of the grantee a written report*
20 *identifying technical capacity, funding, or other*
21 *Federal or State impediments affecting the abil-*
22 *ity of the grantee to meet the spending thresh-*
23 *olds.*

24 “(4) *COLLECTION OF INFORMATION AND REPORT-*
25 *ING.*—

1 “(A) *REQUIREMENT TO REPORT.*—A grant-
2 *ee under this section shall provide to the Sec-*
3 *retary such information as the Secretary may*
4 *determine necessary for adequate oversight of the*
5 *grant program under this section.*

6 “(B) *PUBLIC AVAILABILITY.*—Subject to
7 *subparagraph (D), the Secretary shall make in-*
8 *formation submitted under subparagraph (A)*
9 *available to the public and to the Inspector Gen-*
10 *eral for the Department of Housing and Urban*
11 *Development.*

12 “(C) *SUMMARY STATUS REPORTS.*—To in-
13 *crease transparency and accountability of the*
14 *grant program under this section, the Secretary*
15 *shall, on not less frequently than an annual*
16 *basis, post on a public facing dashboard sum-*
17 *mary status reports for all active grants under*
18 *this section that includes—*

19 “(i) *the status of funds by activity;*

20 “(ii) *the percentages of funds allocated*
21 *and expended to benefit low- and moderate-*
22 *income communities;*

23 “(iii) *performance targets, spending*
24 *thresholds, and accomplishments; and*

1 “(iv) other information the Secretary
2 determines to be relevant for transparency.

3 “(D) CONSIDERATIONS.—In carrying out
4 this paragraph, the Secretary shall take such ac-
5 tions as may be necessary to ensure that person-
6 ally identifiable information regarding appli-
7 cants for assistance provided from funds made
8 available under this section is not made publicly
9 available.

10 “(E) RESEARCH PARTNERSHIPS.—

11 “(i) IN GENERAL.—The Secretary may,
12 upon a formal request from researchers,
13 make disaggregated information available to
14 the requestor that is specific and relevant to
15 the research being conducted, and for the
16 purposes of researching program impact
17 and efficacy.

18 “(ii) PRIVACY PROTECTIONS.—In mak-
19 ing information available under clause (i),
20 the Secretary shall protect personally iden-
21 tifiable information as required under sec-
22 tion 552a of title 5, United States Code
23 (commonly known as the ‘Privacy Act of
24 1974’).

25 “(f) ELIGIBLE ACTIVITIES.—

1 “(1) *IN GENERAL.*—*Activities assisted under this*
2 *section—*

3 “(A) *may include activities permitted under*
4 *section 105 or other activities permitted by the*
5 *Secretary by waiver or alternative requirement*
6 *pursuant to subsection (i); and*

7 “(B) *shall be related to disaster relief, long-*
8 *term recovery, restoration of housing and infra-*
9 *structure, economic revitalization, and mitiga-*
10 *tion in the most impacted and distressed areas*
11 *resulting from the major disaster for which the*
12 *grant was awarded.*

13 “(2) *PROHIBITION.*—*Grant funds under this sec-*
14 *tion may not be used for costs reimbursable by, or for*
15 *which funds have been made available by, the Federal*
16 *Emergency Management Agency or the United States*
17 *Army Corps of Engineers.*

18 “(3) *ADMINISTRATIVE COSTS, TECHNICAL AS-*
19 *SISTANCE AND PLANNING.*—

20 “(A) *IN GENERAL.*—*The Secretary shall es-*
21 *tablish in regulation the maximum grant*
22 *amounts a grantee may use for administrative*
23 *costs, technical assistance, and planning activi-*
24 *ties, taking into consideration size of grant, com-*
25 *plexity of recovery, and other factors as deter-*

1 *mined by the Secretary, but not to exceed 8 per-*
2 *cent for administration and 20 percent in total.*

3 *“(B) AVAILABILITY.—Amounts available for*
4 *administrative costs for a grant under this sec-*
5 *tion shall be available for eligible administrative*
6 *costs of the grantee for any grant made under*
7 *this section, without regard to a particular dis-*
8 *aster.*

9 *“(C) SUPPLEMENTAL PLAN.—*

10 *“(i) IN GENERAL.—Grantees may sub-*
11 *mit to the Secretary an optional supple-*
12 *mental plan to the grantee plan required*
13 *under this title specifically for administra-*
14 *tive costs, which shall include a description*
15 *of the use of all grant funds for administra-*
16 *tive costs, including for any eligible pre-*
17 *award program administrative costs, and*
18 *how such uses will prepare the grantee to*
19 *more effectively and expeditiously admin-*
20 *ister funds provided under the full plan.*

21 *“(ii) USE OF FUNDS.—If a supple-*
22 *mental plan is approved under clause (i), a*
23 *grantee may draw down the aforementioned*
24 *administrative funds before the full grantee*
25 *plan is approved.*

1 “(iii) *WAIVERS.*—*In carrying out this*
2 *subparagraph, the Secretary may include*
3 *any waivers or alternative requirements in*
4 *accordance with subsection (i).*

5 “(4) *PROGRAM INCOME.*—*Notwithstanding any*
6 *other provision of law, any grantee under this section*
7 *may retain program income that is realized from*
8 *grants made by the Secretary under this section if the*
9 *grantee agrees that the grantee will utilize the pro-*
10 *gram income in accordance with the requirements for*
11 *grants under this section, except that the Secretary*
12 *may—*

13 “(A) *by regulation, exclude from consider-*
14 *ation as program income any amounts deter-*
15 *mined to be so small that compliance with this*
16 *paragraph creates an unreasonable administra-*
17 *tive burden on the grantee; or*

18 “(B) *permit the grantee to transfer remain-*
19 *ing program income to the other grants of the*
20 *grantee under this title upon closeout of the*
21 *grant.*

22 “(5) *PROHIBITION ON USE OF ASSISTANCE FOR*
23 *EMPLOYMENT RELOCATION ACTIVITIES.*—

24 “(A) *IN GENERAL.*—*Grants under this sec-*
25 *tion may not be used to assist directly in the re-*

1 *location of any industrial or commercial plant,*
2 *facility, or operation, from one area to another*
3 *area, if the relocation is likely to result in a sig-*
4 *nificant loss of employment in the labor market*
5 *area from which the relocation occurs.*

6 “(B) *APPLICABILITY.*—*The prohibition*
7 *under subparagraph (A) shall not apply to a*
8 *business that was operating in the disaster-de-*
9 *clared labor market area before the incident date*
10 *of the applicable disaster and has since moved,*
11 *in whole or in part, from the affected area to an-*
12 *other State or to a labor market area within the*
13 *same State to continue business.*

14 “(6) *REQUIREMENTS.*—*Grants under this section*
15 *are subject to the requirements of this section, the*
16 *other provisions of this title that apply to assistance*
17 *under this section, and other applicable laws, unless*
18 *modified by waivers or alternative requirements in*
19 *accordance with subsection (i).*

20 “(g) *ENVIRONMENTAL REVIEW.*—

21 “(1) *ADOPTION.*—*A recipient of funds provided*
22 *under this section that uses the funds to supplement*
23 *Federal assistance provided under section 203, 402,*
24 *403, 404, 406, 407, 408(c)(4), 428, or 502 of the Rob-*
25 *ert T. Stafford Disaster Relief and Emergency Assist-*

1 *ance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5173,*
2 *5174(c)(4), 5189f, 5192) may adopt, without review*
3 *or public comment, any environmental review, ap-*
4 *proval, or permit performed by a Federal agency, and*
5 *such adoption shall satisfy the responsibilities of the*
6 *recipient with respect to such environmental review,*
7 *approval, or permit under section 104(g)(1), so long*
8 *as the actions covered by the existing environmental*
9 *review, approval, or permit and the actions proposed*
10 *for these supplemental funds are substantially the*
11 *same.*

12 “(2) *APPROVAL OF RELEASE OF FUNDS.—Not-*
13 *withstanding section 104(g)(2), the Secretary or a*
14 *State may, upon receipt of a request for release of*
15 *funds and certification, immediately approve the re-*
16 *lease of funds for an activity or project to be assisted*
17 *under this section if the recipient has adopted an en-*
18 *vironmental review, approval, or permit under para-*
19 *graph (1) or the activity or project is categorically ex-*
20 *cluded from review under the National Environ-*
21 *mental Policy Act of 1969 (42 U.S.C. 4321 et seq.).*

22 “(3) *UNITS OF GENERAL LOCAL GOVERNMENT.—*
23 *The provisions of section 104(g)(4) shall apply to as-*
24 *sistance under this section that a State distributes to*
25 *a unit of general local government.*

1 “(h) *FINANCIAL CONTROLS AND PROCEDURES.*—

2 “(1) *IN GENERAL.*—*The Secretary shall develop*
3 *requirements and procedures to demonstrate that a*
4 *grantee under this section—*

5 “(A) *has adequate financial controls and*
6 *procurement processes;*

7 “(B) *has adequate procedures to detect and*
8 *prevent fraud, waste, abuse, and duplication of*
9 *benefit; and*

10 “(C) *maintains a comprehensive and pub-*
11 *licly accessible website.*

12 “(2) *CERTIFICATION.*—*Before making a grant*
13 *under this section, the Secretary shall certify that the*
14 *grantee has in place proficient processes and proce-*
15 *dures to comply with the requirements developed*
16 *under paragraph (1), as determined by the Secretary.*

17 “(3) *COMPLIANCE BEFORE ALLOCATION.*—*The*
18 *Secretary may permit a State, unit of general local*
19 *government, or Indian tribe to demonstrate compli-*
20 *ance with the requirements for adequate financial*
21 *controls developed under paragraph (1) before a dis-*
22 *aster occurs and before receiving an allocation for a*
23 *grant under this section.*

24 “(4) *DUPLICATION OF BENEFITS.*—

1 “(A) *IN GENERAL.*—*Funds made available*
2 *under this section shall be used in accordance*
3 *with section 312 of the Robert T. Stafford Dis-*
4 *aster Relief and Emergency Assistance Act (42*
5 *U.S.C. 5155) and such rules as may be pre-*
6 *scribed under such section 312.*

7 “(B) *PENALTIES.*—*In any case in which*
8 *the use of grant funds under this section results*
9 *in a prohibited duplication of benefits, the grant-*
10 *ee shall—*

11 “(i) *apply an amount equal to the*
12 *identified duplication to any allowable costs*
13 *of the award consistent with actual, imme-*
14 *diate cash requirement;*

15 “(ii) *remit any excess amounts to the*
16 *Secretary to be credited to the obligated,*
17 *undisbursed balance of the grant consistent*
18 *with requirements on Federal payments ap-*
19 *plicable to such grantee; and*

20 “(iii) *if excess amounts under clause*
21 *(ii) are identified after the period of per-*
22 *formance or after the closeout of the award,*
23 *remit such amounts to the Secretary to be*
24 *credited to the Fund.*

1 “(C) *FAILURE TO COMPLY.*—Any grantee
2 provided funds under this section or from prior
3 appropriations Acts under the heading ‘Community
4 Development Fund’ for purposes related to
5 major disasters that fails to comply with section
6 312 of the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act (42 U.S.C. 5155) or
8 fails to satisfy penalties to resolve a duplication
9 of benefits shall be subject to remedies for non-
10 compliance under section 111, unless the Sec-
11 retary publishes a determination in the Federal
12 Register that it is not in the best interest of the
13 Federal Government to pursue remedial actions.

14 “(i) *WAIVERS AND ALTERNATIVE REQUIREMENTS.*—

15 “(1) *IN GENERAL.*—In administering grants
16 under this section, the Secretary may waive, or speci-
17 fy alternative requirements for, any provision of any
18 statute or regulation that the Secretary administers
19 in connection with the obligation by the Secretary or
20 the use by the grantee of those funds (except for re-
21 quirements related to fair housing, nondiscrimina-
22 tion, labor standards, the environment, and the re-
23 quirements of this section that do not expressly au-
24 thorize modifications by waiver or alternative re-
25 quirement), if the Secretary makes a public finding

1 *that good cause exists for the waiver or alternative re-*
2 *quirement.*

3 “(2) *EFFECTIVE DATE.*—*A waiver or alternative*
4 *requirement described in paragraph (1) shall not take*
5 *effect before the date that is 5 days after the date of*
6 *publication of the waiver or alternative requirement*
7 *on the website of the Department of Housing and*
8 *Urban Development or the effective date for any regu-*
9 *lation published in the Federal Register.*

10 “(3) *PUBLIC NOTIFICATION.*—*The Secretary shall*
11 *notify the public of all waivers or alternative require-*
12 *ments described in paragraph (1) in accordance with*
13 *the requirements of section 7(q)(3) of the Department*
14 *of Housing and Urban Development Act (42 U.S.C.*
15 *3535(q)(3)).*

16 “(j) *UNUSED AMOUNTS.*—

17 “(1) *DEADLINE TO USE AMOUNTS.*—*A grantee*
18 *under this section shall use an amount equal to the*
19 *grant within 6 years beginning on the date on which*
20 *the Secretary obligates the amounts to the grantee, as*
21 *such period may be extended under paragraph (4).*

22 “(2) *RECAPTURE.*—*The Secretary shall recap-*
23 *ture and credit to the Fund any amount that is un-*
24 *used by a grantee under this section upon the earlier*
25 *of—*

1 “(A) *the date on which the grantee notifies*
2 *the Secretary that the grantee has completed all*
3 *activities identified in the disaster grantee’s plan*
4 *under subsection (c); or*

5 “(B) *the expiration of the 6-year period de-*
6 *scribed in paragraph (1), as such period may be*
7 *extended under paragraph (4).*

8 “(3) *RETENTION OF FUNDS.—Notwithstanding*
9 *paragraph (1), the Secretary—*

10 “(A) *shall allow a grantee under this sec-*
11 *tion to retain amounts needed to close out*
12 *grants; and*

13 “(B) *may allow a grantee under this section*
14 *to retain up to 10 percent of the remaining*
15 *funds to support maintenance of the minimal ca-*
16 *capacity to launch a new program in the event of*
17 *a future disaster and to support pre-disaster*
18 *long-term recovery and mitigation planning.*

19 “(4) *EXTENSION OF PERIOD FOR USE OF*
20 *FUNDS.—The Secretary may extend the 6-year period*
21 *described in paragraph (1) by not more than 4 years,*
22 *or not more than 6 years for mitigation activities,*
23 *if—*

24 “(A) *the grantee submits to the Secretary—*

1 “(i) written documentation of the exi-
2 gent circumstances impacting the ability of
3 the grantee to expend funds that could not
4 be anticipated; or

5 “(ii) a justification that such request is
6 necessary due to the nature and complexity
7 of the program and projects; and

8 “(B) the Secretary submits a written jus-
9 tification for the extension to the Committee on
10 Appropriations and the Committee on Banking,
11 Housing, and Urban Affairs of the Senate and
12 the Committee on Appropriations and the Com-
13 mittee on Financial Services of the House of
14 Representatives that specifies the period of that
15 extension.

16 “(k) DEFINITION.—In this section, the term ‘Indian
17 tribe’ has the meaning given the term in section 4 of the
18 Native American Housing Assistance and Self-Determina-
19 tion Act of 1996 (25 U.S.C. 4103).”.

20 (e) REGULATIONS.—

21 (1) PROPOSED RULES.—Following consultation
22 with the Federal Emergency Management Agency, the
23 Small Business Administration, and other Federal
24 agencies, not later than 6 months after the date of en-
25 actment of this Act, the Secretary shall issue proposed

1 *rules to carry out this Act and the amendments made*
2 *by this Act and shall provide a 90-day period for sub-*
3 *mission of public comments on those proposed rules.*

4 (2) *FINAL RULES.*—*Not later than 1 year after*
5 *the date of enactment of this Act, the Secretary shall*
6 *issue final regulations to carry out section 124 of the*
7 *Housing and Community Development Act of 1974,*
8 *as added by subsection (d).*

9 (f) *COORDINATION OF DISASTER RECOVERY ASSIST-*
10 *ANCE, BENEFITS, AND DATA WITH OTHER FEDERAL AGEN-*
11 *CIES.*—

12 (1) *COORDINATION OF DISASTER RECOVERY AS-*
13 *SISTANCE.*—*In order to ensure a comprehensive ap-*
14 *proach to Federal disaster relief, long-term recovery,*
15 *restoration of housing and infrastructure, economic*
16 *revitalization, and mitigation in the most impacted*
17 *and distressed areas resulting from a catastrophic*
18 *major disaster, the Secretary shall coordinate with the*
19 *Federal Emergency Management Agency, to the great-*
20 *est extent practicable, in the implementation of assist-*
21 *ance authorized under section 124 of the Housing and*
22 *Community Development Act of 1974, as added by*
23 *subsection (d).*

24 (2) *DATA SHARING AGREEMENTS.*—*To support*
25 *the coordination of data to prevent duplication of*

1 *benefits with other Federal disaster recovery programs*
2 *while also expediting recovery and reducing burden*
3 *on disaster survivors, the Department shall establish*
4 *data sharing agreements that safeguard privacy with*
5 *relevant Federal agencies to ensure disaster benefits*
6 *effectively and efficiently reach intended beneficiaries,*
7 *while using effective means of preventing harm to*
8 *people and property.*

9 (3) *DATA TRANSFER FROM FEMA AND SBA TO*
10 *HUD.—As permitted and deemed necessary for effi-*
11 *cient program execution, and consistent with a com-*
12 *puter matching agreement entered into under para-*
13 *graph (6)(A), the Administrator of the Federal Emer-*
14 *gency Management Agency and the Administrator of*
15 *the Small Business Administration shall provide data*
16 *on disaster applicants to the Department, including,*
17 *when necessary, personally identifiable information,*
18 *disaster recovery needs, and resources determined eli-*
19 *gible for, and amounts expended, to the Secretary for*
20 *all major disasters declared by the President pursuant*
21 *to section 401 of Robert T. Stafford Disaster Relief*
22 *and Emergency Assistance Act (42 U.S.C. 5170) for*
23 *the purpose of providing additional assistance to dis-*
24 *aster survivors and prevent duplication of benefits.*

1 (4) *DATA TRANSFERS FROM HUD TO HUD*
2 *GRANTEES.—The Secretary is authorized to provide*
3 *to grantees under section 124 of the Housing and*
4 *Community Development Act of 1974, as added by*
5 *subsection (d), offices of the Department, technical as-*
6 *sistance providers, and lenders information that in*
7 *the determination of the Secretary is reasonably*
8 *available and appropriate to inform the provision of*
9 *assistance after a major disaster, including informa-*
10 *tion provided to the Secretary by the Administrator*
11 *of the Federal Emergency Management Agency, the*
12 *Administrator of the Small Business Administration,*
13 *or other Federal agencies.*

14 (5) *DATA TRANSFERS FROM HUD GRANTEES TO*
15 *HUD, FEMA, AND SBA.—*

16 (A) *REPORTING.—Grantees under section*
17 *124 of the Housing and Community Develop-*
18 *ment Act of 1974, as added by subsection (d),*
19 *shall report information requested by the Sec-*
20 *retary on households, businesses, and other enti-*
21 *ties assisted and the type of assistance provided.*

22 (B) *SHARING INFORMATION.—The Secretary*
23 *shall share information collected under subpara-*
24 *graph (A) with the Federal Emergency Manage-*
25 *ment Agency, the Small Business Administra-*

1 *tion, and other Federal agencies to support the*
2 *planning and delivery of disaster recovery and*
3 *mitigation assistance and other related purposes.*

4 (6) *PRIVACY PROTECTION.*—

5 (A) *IN GENERAL.*—*The Secretary may make*
6 *and receive data transfers authorized under this*
7 *subsection, including the use and retention of*
8 *that data for computer matching programs, to*
9 *inform the provision of assistance, assess disaster*
10 *recovery needs, and prevent the duplication of*
11 *benefits and other waste, fraud, and abuse, pro-*
12 *vided that—*

13 (i) *the Secretary enters an information*
14 *sharing agreement or a computer matching*
15 *agreement, when required by section 522a of*
16 *title 5, United States Code (commonly*
17 *known as the “Privacy Act of 1974”), with*
18 *the Administrator of the Federal Emergency*
19 *Management Agency, the Administrator of*
20 *the Small Business Administration, or other*
21 *Federal agencies covering the transfer of*
22 *data; and*

23 (ii) *the Secretary publishes intent to*
24 *disclose data in the Federal Register.*

1 (B) *DATA SHARING AGREEMENT.*—*Notwith-*
2 *standing clauses (i) and (ii) of subparagraph*
3 *(A), section 552a of title 5, United States Code,*
4 *or any other law, the Secretary is authorized to*
5 *share data with an entity identified in para-*
6 *graph (4), and the entity is authorized to use the*
7 *data as described in this section, if the Secretary*
8 *enters a data sharing agreement with the entity*
9 *before sharing or receiving any information*
10 *under transfers authorized by this section, which*
11 *data sharing agreement shall—*

12 (i) *in the determination of the Sec-*
13 *retary, include measures adequate to safe-*
14 *guard the privacy and personally identifi-*
15 *able information of individuals; and*

16 (ii) *include provisions that describe*
17 *how the personally identifiable information*
18 *of an individual will be adequately safe-*
19 *guarded and protected, which requires con-*
20 *sultation with the Secretary and the head of*
21 *each Federal agency the data of which is*
22 *being shared subject to the agreement.*

1 **SEC. 502. HOME INVESTMENT PARTNERSHIPS REAUTHOR-**
2 **IZATION AND REFORM ACT.**

3 (a) *AUTHORIZATION.*—Section 205 of the Cranston-
4 Gonzalez National Affordable Housing Act (42 U.S.C.
5 12724) is amended to read as follows:

6 **“SEC. 205. AUTHORIZATION OF PROGRAM.**

7 *“The HOME Investment Partnerships Program under*
8 *subtitle A is hereby authorized.”*

9 (b) *DEFINITION OF COMMUNITY HOUSING DEVELOP-*
10 *MENT ORGANIZATION.*—Section 104(6)(B) of the Cranston-
11 Gonzalez National Affordable Housing Act (42 U.S.C.
12 12704(6)(B)) is amended by striking “significant”.

13 (c) *ASSISTANCE FOR LOW-INCOME FAMILIES.*—Title II
14 of the Cranston-Gonzalez National Affordable Housing Act
15 (42 U.S.C. 12721 et seq.) is amended—

16 (1) in section 214(2) (42 U.S.C. 12742(2)), by
17 striking “households that qualify as low-income fami-
18 lies” and inserting “families with a household income
19 that does not exceed 100 percent of the median family
20 income of the area, as determined by the Secretary”;
21 and

22 (2) in section 271(c) (42 U.S.C. 12821(c))—

23 (A) in paragraph (1)(B), by striking “low-
24 income” and inserting “families with a house-
25 hold income that does not exceed 100 percent of
26 the median family income of the area as deter-

1 *mined by the Secretary with adjustments for*
2 *smaller and larger families”;* and

3 *(B) in paragraph (2)(A), by striking “low-*
4 *income families” and inserting “families with a*
5 *household income that does not exceed 100 per-*
6 *cent of the median family income of the area as*
7 *determined by the Secretary with adjustments*
8 *for smaller and larger families”.*

9 *(d) CHOICES MADE BY PARTICIPATING JURISDIC-*
10 *TIONS.—Section 212(a)(2) of the Cranston-Gonzalez Na-*
11 *tional Affordable Housing Act (42 U.S.C. 12742(a)(2)) is*
12 *amended to read as follows:*

13 *“(2) LIMITATION.—The Secretary may not re-*
14 *strict the choice by a participating jurisdiction of re-*
15 *habilitation, substantial rehabilitation, new construc-*
16 *tion, reconstruction, acquisition, or other eligible*
17 *housing uses authorized in paragraph (1) unless the*
18 *restriction is explicitly authorized under section*
19 *223(2).”.*

20 *(e) USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR*
21 *INFRASTRUCTURE IMPROVEMENTS.—*

22 *(1) IN GENERAL.—Section 212(a) of the Cran-*
23 *ston-Gonzalez National Affordable Housing Act (42*
24 *U.S.C. 12742(a)) is amended by inserting after para-*
25 *graph (3) the following:*

1 “(4) *INFRASTRUCTURE IMPROVEMENTS IN NON-*
2 *ENTITLEMENT AREAS.*—

3 “(A) *IN GENERAL.*—*A participating juris-*
4 *isdiction may use funds provided under this sub-*
5 *title for infrastructure improvements, including*
6 *the installation or repair of water and sewer*
7 *lines, sidewalks, roads, and utility connections*
8 *if—*

9 “(i) *such participating jurisdiction*
10 *does not receive assistance under title I of*
11 *the Housing and Community Development*
12 *Act of 1974 (42 U.S.C. 5310); and*

13 “(ii) *such improvements are directly*
14 *related to, and located within or imme-*
15 *diately adjacent to—*

16 “(I) *housing assisted under this*
17 *subtitle; or*

18 “(II) *housing assisted under sec-*
19 *tion 42 of the Internal Revenue Code of*
20 *1986.*

21 “(B) *APPLICATION OF LABOR STAND-*
22 *ARDS.*—*The labor standards and requirements*
23 *set forth in section 110 of the Housing and Com-*
24 *munity Development Act of 1974 (42 U.S.C.*
25 *5310) shall apply to any infrastructure improve-*

1 *ment conducted using funds provided under this*
2 *subtitle.*

3 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
4 *this paragraph may be construed to impose any*
5 *requirements of the HOME Investment Partner-*
6 *ships program on housing that benefits from an*
7 *infrastructure improvement conducted using*
8 *funds provided under this subtitle but was not*
9 *otherwise assisted under the HOME Investment*
10 *Partnerships program.”.*

11 (2) *RULEMAKING.*—*Not later than 1 year after*
12 *the date of enactment of this Act, the Secretary of*
13 *Housing and Urban Development shall issue rules to*
14 *carry out the amendment made by paragraph (1).*

15 (f) *PER UNIT INVESTMENT LIMITATIONS.*—*Section*
16 *212(e)(1) of the Cranston-Gonzalez National Affordable*
17 *Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-*
18 *ing the second sentence.*

19 (g) *AFFORDABLE RENTAL HOUSING QUALIFICA-*
20 *TIONS.*—*Section 215(a) of the Cranston-Gonzalez National*
21 *Affordable Housing Act (42 U.S.C. 12745(a)) is amended*
22 *by adding at the end the following:*

23 “(7) *QUALIFICATION EXCEPTION.*—*Notwith-*
24 *standing paragraph (1)(A), a rental unit shall be*

1 *considered to qualify as affordable housing under this*
2 *title if—*

3 “(A) *the unit is occupied by a tenant re-*
4 *ceiving tenant-based rental assistance under sec-*
5 *tion 8 of the United States Housing Act of 1937*
6 *(42 U.S.C. 1437f);*

7 “(B) *the contribution of the tenant toward*
8 *rent does not exceed the amount permitted under*
9 *the assistance described in subparagraph (A);*
10 *and*

11 “(C) *the total rent for the unit does not ex-*
12 *ceed the amount approved by the public housing*
13 *agency administering the assistance described in*
14 *subparagraph (A).”.*

15 (h) *AFFORDABLE HOMEOWNERSHIP HOUSING QUALI-*
16 *FICATIONS.—Section 215 of the Cranston-Gonzalez Na-*
17 *tional Affordable Housing Act (42 U.S.C. 12745) is amend-*
18 *ed—*

19 (1) *in subsection (b)—*

20 (A) *in paragraph (2), by redesignating sub-*
21 *paragraphs (A), (B), and (C) as clauses (i), (ii),*
22 *and (iii), respectively, and adjusting the mar-*
23 *gins accordingly;*

24 (B) *in paragraph (3)—*

1 (i) in subparagraph (A), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins accordingly; and

2 (ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and adjusting the margins accordingly;

3 (C) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and adjusting the margins accordingly;

4 (D) by striking “Housing that is for homeownership” and inserting the following:

5 “(1) QUALIFICATION.—Housing that is for homeownership”;

6 (E) in paragraph (1), as so designated—

7 (i) in subparagraph (A), as so redesignated—

8 (I) by striking “95 percent” and inserting “110 percent”; and

9 (II) by inserting “(defined as the amount borrowed by the homebuyer to purchase the home, or the estimated value after rehabilitation, which may

1 *be adjusted to account for the limits on*
2 *future value imposed by the resale re-*
3 *striction)” after “purchase price”;*

4 *(ii) in subparagraph (B), as so redes-*
5 *ignated, in the matter preceding clause (i),*
6 *by striking “whose family qualifies as a*
7 *low-income family” and inserting “with a*
8 *family income that does not exceed 100 per-*
9 *cent of the median family income of the*
10 *area as determined by the Secretary with*
11 *adjustments for smaller and larger fami-*
12 *lies”;*

13 *(iii) in subparagraph (C), as so redes-*
14 *ignated—*

15 *(I) in clause (i)(II)—*

16 *(aa) by striking “low-income*
17 *homebuyers” and inserting*
18 *“homebuyers with a household in-*
19 *come that does not exceed 100 per-*
20 *cent of the median family income*
21 *of the area, as determined by the*
22 *Secretary with adjustments for*
23 *smaller and larger families”;* and

24 *(bb) by striking “or” at the*
25 *end;*

1 (II) in clause (ii), by striking
2 “and” at the end and inserting “or”;
3 and

4 (III) by adding at the end the fol-
5 lowing:

6 “(iii) maintain long-term affordability
7 through a shared equity ownership model, a
8 community land trust, a limited equity co-
9 operative, a community development cor-
10 poration, or other mechanism approved by
11 the Secretary, that preserves affordability
12 for future eligible homebuyers and ensures
13 compliance with the purposes of this title,
14 including through the use of purchase op-
15 tions, rights of first refusal or other preemp-
16 tive rights to purchase housing;”;

17 (iv) in subparagraph (D), as so redes-
18 ignated, by striking the period at the end
19 and inserting “; and”; and

20 (v) by adding at the end the following:

21 “(E) is subject to restrictions that are estab-
22 lished by the participating jurisdiction and de-
23 termined by the Secretary to be appropriate, in-
24 cluding with respect to the useful life of the prop-
25 erty, to—

1 “(i) require that any subsequent purchase of the property be—

2
3 “(I) only by a person who meets the qualifications specified under subparagraph (B); and

4
5
6 “(II) at a price that is determined by a formula or method established by the participating jurisdiction that provides the owner with a reasonable return on investment, which may include a percentage of the cost of any improvements; or

7
8
9
10 “(ii) recapture the investment provided under this title in order to assist other persons in accordance with the requirements of this title, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance.”; and

11
12
13 (F) by adding at the end the following:

14 “(2) PURCHASE BY COMMUNITY LAND TRUST OR
15 COOPERATIVE HOUSING CORPORATION.—Notwithstanding subparagraph (C)(i) of paragraph (1) and
16 under terms determined by the Secretary, the Secretary may permit a participating jurisdiction to
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1 *allow a community land trust, housing cooperative,*
2 *or a community development corporation that used*
3 *assistance provided under this subtitle for the develop-*
4 *ment of housing that meets the criteria under para-*
5 *graph (1), to acquire the housing—*

6 *“(A) in accordance with the terms of the*
7 *preemptive purchase option, lease, covenant on*
8 *the land, or other similar legal instrument of the*
9 *community land trust when the terms and rights*
10 *in the preemptive purchase option, lease, cov-*
11 *enant, or legal instrument are and remain sub-*
12 *ject to the requirements of this title;*

13 *“(B) when the purchase is for—*

14 *“(i) the purpose of—*

15 *“(I) entering into the chain of*
16 *title;*

17 *“(II) enabling a purchase by a*
18 *person who meets the qualifications*
19 *specified under paragraph (1)(B) and*
20 *is on a waitlist maintained by the*
21 *community land trust or housing coop-*
22 *erative, subject to enforcement by the*
23 *participating jurisdiction of all appli-*
24 *cable requirements of this title, as de-*
25 *termined by the Secretary;*

1 “(III) performing necessary reha-
2 bilitation and improvements; or

3 “(IV) adding a subsidy to pre-
4 serve affordability, which may be from
5 Federal or non-Federal sources; or

6 “(ii) another purpose determined ap-
7 propriate by the Secretary; and

8 “(C) if, within a reasonable period of time
9 after the applicable purpose under subparagraph
10 (B) of this paragraph is fulfilled, as determined
11 by the Secretary, the housing is then sold to a
12 person who meets the qualifications specified
13 under paragraph (1)(B).”; and

14 (2) by adding at the end the following:

15 “(c) *QUALIFICATION EXCEPTIONS FOR HOMEOWNER-*
16 *SHIP.—*

17 “(1) *MILITARY MEMBERS.—*A participating ju-
18 risdiction, in accordance with terms established by the
19 Secretary, may suspend or waive the income quali-
20 fications described in subsection (b)(1)(B) with re-
21 spect to housing that otherwise meets the criteria de-
22 scribed in subsection (b)(1) if the owner of the hous-
23 ing—

24 “(A) is a member of a regular component of
25 the armed forces or a member of the National

1 *Guard on full-time National Guard duty, active*
2 *Guard and Reserve duty, or inactive-duty train-*
3 *ing (as those terms are defined in section 101 of*
4 *title 10, United States Code); and*

5 “(B) has received—

6 “(i) temporary duty orders to deploy
7 with a military unit or military orders to
8 deploy as an individual acting in support
9 of a military operation, to a location that
10 is not within a reasonable distance from the
11 housing, as determined by the Secretary, for
12 a period of not less than 90 days; or

13 “(ii) orders for a permanent change of
14 station.

15 “(2) *HEIRS AND BENEFICIARIES OF DECEASED*
16 *OWNERS.—Housing that meets the criteria described*
17 *in subsection (b)(1)(C) prior to the death of an owner*
18 *of such housing shall continue to qualify as affordable*
19 *housing under this title if—*

20 “(A) the housing is the principal residence
21 of an heir or beneficiary of the deceased owner,
22 as defined by the Secretary; and

23 “(B) the heir or beneficiary, in accordance
24 with terms established by the Secretary, assumes

1 *the duties and obligations of the deceased owner*
2 *with respect to funds provided under this title.”.*

3 *(i) ELIMINATION OF EXPIRATION OF RIGHT TO DRAW*
4 *HOME INVESTMENT TRUST FUNDS.—Section 218 of the*
5 *Cranston-Gonzalez National Affordable Housing Act (42*
6 *U.S.C. 12748) is amended—*

7 *(1) by striking subsection (g); and*

8 *(2) by redesignating subsection (h) as subsection*
9 *(g).*

10 *(j) ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE*
11 *FOR COMMUNITY HOUSING DEVELOPMENTAL ORGANIZA-*
12 *TIONS.—Section 231(b) of the Cranston-Gonzalez National*
13 *Affordable Housing Act (42 U.S.C. 12771(b)) is amended*
14 *to read as follows:*

15 *“(b) RECAPTURE AND REUSE.—If any funds reserved*
16 *under subsection (a) remain uninvested for a period of 24*
17 *months, the Secretary shall make such funds available to*
18 *the participating jurisdiction for any eligible activities*
19 *under this title without regard to whether a community*
20 *housing development organization materially participates*
21 *in the use of such funds.”.*

22 *(k) ASSET RECYCLING INFORMATION DISSEMINATION*
23 *EXPANSION.—Section 245(b)(2) of the Cranston-Gonzalez*
24 *National Affordable Housing Act (42 U.S.C. 12785(b)(2))*

1 *is amended by striking “95 percent” and inserting “110*
2 *percent”.*

3 *(l) APPLICATION OF OTHER SPECIFIED STATUTORY*
4 *REQUIREMENTS.—Title II of the Cranston-Gonzalez Na-*
5 *tional Affordable Housing Act (42 U.S.C. 12721 et seq.) is*
6 *amended by adding at the end the following:*

7 **“SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIREMENTS**
8 **FOR SMALL PROJECTS.**

9 *“Notwithstanding any other provision of law, the re-*
10 *quirements of section 3 of the Housing and Urban Develop-*
11 *ment Act of 1968 (12 U.S.C. 1701u), and any imple-*
12 *menting regulations or guidance, shall not apply to an ac-*
13 *tivity assisted under this title that involves rehabilitation,*
14 *construction, or other development of housing if—*

15 *“(1) the recipient of assistance under this title*
16 *is—*

17 *“(A) a State recipient pursuant to section*
18 *216; or*

19 *“(B) a participating jurisdiction that re-*
20 *ceived a total allocation of less than \$3,000,000*
21 *in the most recent fiscal year pursuant to section*
22 *216; and*

23 *“(2) the total number of dwelling units assisted*
24 *as a part of such activity is not more than 50.”.*

1 (m) *REALLOCATION NOT AVAILABLE FOR CERTAIN JU-*
2 *RISDICTIONS.*—Section 217(d) of the Cranston-Gonzalez
3 *National Affordable Housing Act (42 U.S.C. 12747(d)) is*
4 *amended—*

5 (1) *in paragraph (1), by striking the second sen-*
6 *tence and inserting the following: “Subject to para-*
7 *graph (4), jurisdictions eligible for such reallocations*
8 *shall include participating jurisdictions and jurisdic-*
9 *tions meeting the requirements of this title, including*
10 *the requirements in paragraphs (3), (4), and (5) of*
11 *section 216.”; and*

12 (2) *by adding at the end the following:*

13 “*(4) REALLOCATION NOT AVAILABLE FOR CER-*
14 *TAIN JURISDICTIONS.*—*The Secretary may decline to*
15 *make a reallocation available to a jurisdiction eligible*
16 *for such reallocation if such jurisdiction has failed to*
17 *meet or comply with any requirement under this*
18 *title.”.*

19 (n) *AMENDMENTS TO QUALIFICATION AS AFFORDABLE*
20 *HOUSING.*—Section 215(a)(1)(E) of the Cranston-Gonzalez
21 *National Affordable Housing Act (42 U.S.C. 12745(a)) is*
22 *amended by striking “except upon a foreclosure by a lender*
23 *(or upon other transfer in lieu of foreclosure) if such action*
24 *(i) recognizes any contractual or legal rights of public agen-*
25 *cies, nonprofit sponsors, or others to take actions that would*

1 *avoid termination of low-income affordability in the case*
2 *of foreclosure or transfer in lieu of foreclosure, and (ii) is*
3 *not for the purpose of avoiding low income affordability re-*
4 *strictions, as determined by the Secretary; and” and insert-*
5 *ing the following: “except—*

6 *“(i) upon a foreclosure by a lender (or*
7 *upon other transfer in lieu of foreclosure) if*
8 *such action—*

9 *“(I) recognizes any contractual or*
10 *legal rights of public agencies, non-*
11 *profit sponsors, or others to take ac-*
12 *tions that would avoid termination of*
13 *low-income affordability in the case of*
14 *foreclosure or transfer in lieu of fore-*
15 *closure; and*

16 *“(II) is not for the purpose of*
17 *avoiding low-income affordability re-*
18 *strictions, as determined by the Sec-*
19 *retary; or*

20 *“(ii) where existing affordable housing*
21 *is no longer financially viable due to un-*
22 *foreseen acts or occurrences beyond the rea-*
23 *sonable contemplation or control of the par-*
24 *ticipating jurisdiction in which the afford-*
25 *able housing is located or the owner of the*

1 *affordable housing that significantly impact*
2 *the financial or physical condition of the af-*
3 *fordable housing, as determined by the Sec-*
4 *retary; and”.*

5 *(o) TENANT AND PARTICIPANT PROTECTIONS FOR AF-*
6 *FORDABLE HOUSING.—Section 225 of the Cranston-Gon-*
7 *zalez National Affordable Housing Act (42 U.S.C. 12755)*
8 *is amended by adding at the end the following:*

9 *“(e) EXCEPTION.—Paragraphs (2), (3), and (4) of sub-*
10 *section (d) shall not apply to housing under this section*
11 *that meets the following criteria:*

12 *“(1) The housing is affordable housing with not*
13 *more than 4 dwelling units, each of which is made*
14 *available for rental.*

15 *“(2) Each dwelling unit in the housing bears*
16 *rent in an amount that complies with the require-*
17 *ments described in paragraph (1)(A).*

18 *“(3) Each dwelling unit in the housing is accom-*
19 *panied by a low-income family.*

20 *“(4) No dwelling in the housing is refused for*
21 *leasing to a holder of a voucher under section 8 of the*
22 *United States Housing Act of 1937 (42 U.S.C. 1437f)*
23 *because of the status of the prospective tenant as a*
24 *holder of that voucher.*

1 “(5) *The housing complies with the requirement*
2 *described in paragraph (1)(E).*”

3 “(6) *The participating jurisdiction in which the*
4 *housing is located monitors the compliance of the*
5 *housing with the requirements of this title in a man-*
6 *ner consistent with the purposes of section 226(b), as*
7 *determined by the Secretary.*”

8

(p) *REVISION OF DEFINITION OF COMMUNITY LAND*
9 *TRUST.*—Section 104 of the *Cranston-Gonzalez National*
10 *Affordable Housing Act (42 U.S.C. 12704) is amended by*
11 *adding at the end the following:*

12 “(26) *The term ‘community land trust’ means a*
13 *nonprofit entity, a State, a unit of local government,*
14 *or an instrumentality of a State or unit of local gov-*
15 *ernment that—*

16 “(A) *is not managed by, or an affiliate of,*
17 *a for-profit organization;*

18 “(B) *has as a primary purpose of acquir-*
19 *ing, developing, or holding land to provide hous-*
20 *ing that is permanently affordable to low- and*
21 *moderate-income persons;*

22 “(C) *monitors properties to ensure afford-*
23 *ability is preserved;*

24 “(D) *provides housing that is permanently*
25 *affordable to low- and moderate-income persons*

1 *using a ground lease, deed covenant, or other*
 2 *similar legally enforceable measure, determined*
 3 *acceptable by the Secretary, that—*

4 “(i) *keeps housing affordable to low-*
 5 *and moderate-income persons for not less*
 6 *than 30 years; and*

7 “(ii) *enables low- and moderate-income*
 8 *persons to rent or purchase the housing for*
 9 *homeownership; and*

10 “(E) *maintains preemptive purchase op-*
 11 *tions to purchase the property if such purchase*
 12 *would allow the housing to remain affordable to*
 13 *low-and moderate-income persons.”.*

14 *(q) SET-ASIDE FOR COMMUNITY HOUSING DEVELOP-*
 15 *MENT ORGANIZATIONS.—Section 231(a) of the Cranston-*
 16 *Gonzalez National Affordable Housing Act (42 U.S.C.*
 17 *12771(a)) is amended, in the first sentence, by striking “to*
 18 *be developed, sponsored, or owned by community housing*
 19 *development organizations” and inserting “when a commu-*
 20 *nity housing development organization materially partici-*
 21 *pates in the ownership or development of that housing, as*
 22 *determined by the Secretary”.*

23 *(r) ADMINISTRATIVE REFORMS.—*

24 *(1) INCREASE IN PROGRAM ADMINISTRATION RE-*
 25 *SOURCES.—Section 220(b) of the Cranston-Gonzalez*

1 *National Affordable Housing Act (42 U.S.C.*
2 *12750(b)) is amended—*

3 *(A) by striking “RECOGNITION.—” and all*
4 *that follows through “A contribution” and in-*
5 *serting “RECOGNITION.—A contribution”; and*

6 *(B) by striking paragraph (2).*

7 *(2) MODIFICATION OF JURISDICTIONS ELIGIBLE*
8 *FOR REALLOCATIONS.—Section 217(d)(3) of the Cran-*
9 *ston-Gonzalez National Affordable Housing Act (42*
10 *U.S.C. 12747(d)(3)) is amended—*

11 *(A) in the paragraph heading, by striking*
12 *“LIMITATION” and inserting “LIMITATIONS”;*
13 *and*

14 *(B) by striking “Unless otherwise specified”*
15 *and inserting the following:*

16 *“(A) REMOVAL OF PARTICIPATING JURIS-*
17 *DICTIONS FROM REALLOCATION.—The Secretary*
18 *may, upon a finding that the participating ju-*
19 *risdiction has failed to meet or comply with the*
20 *requirements of this title, remove a participating*
21 *jurisdiction from participation in reallocations*
22 *of funds made available under this title.*

23 *“(B) REALLOCATION TO SAME TYPE OF EN-*
24 *TITY.—Unless otherwise specified”.*

1 (3) *HOME PROPERTY INSPECTIONS.*—Section
2 226(b) of the Cranston-Gonzalez National Affordable
3 Housing Act (42 U.S.C. 12756(b)) is amended—

4 (A) by striking “Each participating juris-
5 diction” and inserting the following:

6 “(1) *IN GENERAL.*—Each participating jurisdic-
7 tion”; and

8 (B) by striking “Such review shall include”
9 and all that follows and inserting the following:

10 “(2) *ON-SITE INSPECTIONS.*—

11 “(A) *INSPECTIONS BY UNITS OF GENERAL*
12 *LOCAL GOVERNMENT.*—A review conducted under
13 paragraph (1) by a participating jurisdiction
14 that is a unit of general local government shall
15 include an on-site inspection to determine com-
16 pliance with housing codes and other applicable
17 regulations.

18 “(B) *INSPECTIONS BY STATES.*—A review
19 conducted under paragraph (1) by a partici-
20 pating jurisdiction that is a State shall include
21 an on-site inspection to determine compliance
22 with a national standard as determined by the
23 Secretary.

24 “(3) *INCLUSION IN PERFORMANCE REPORT AND*
25 *PUBLICATION.*—A participating jurisdiction shall in-

1 *clude in the performance report of the participating*
 2 *jurisdiction submitted to the Secretary under section*
 3 *108(a), and make available to the public, the results*
 4 *of each review conducted under paragraph (1).”.*

5 (4) *REVISIONS TO STRENGTHEN ENFORCEMENT*
 6 *AND PENALTIES FOR NONCOMPLIANCE.*—Section 223
 7 *of the Cranston-Gonzalez National Affordable Hous-*
 8 *ing Act (42 U.S.C. 12753) is amended—*

9 (A) *in the section heading, by striking*
 10 *“PENALTIES FOR MISUSE OF FUNDS” and*
 11 *inserting “PROGRAM ENFORCEMENT AND*
 12 *PENALTIES FOR NONCOMPLIANCE”;*

13 (B) *in the matter preceding paragraph (1),*
 14 *by inserting after “any provision of this sub-*
 15 *title” the following: “, including any provision*
 16 *applicable throughout the period required by sec-*
 17 *tion 215(a)(1)(E) and applicable regulations,”;*

18 (C) *in paragraph (2), by striking “or” at*
 19 *the end;*

20 (D) *in paragraph (3), by striking the pe-*
 21 *riod at the end and inserting “; or”;* and

22 (E) *by adding at the end the following:*

23 *“(4) reduce payments to the participating juris-*
 24 *isdiction under this subtitle by an amount equal to the*
 25 *amount of such payments that were not expended by*

1 *the participating jurisdiction in accordance with this*
2 *title.”.*

3 (s) *MINIMUM ALLOCATIONS.*—Section 217(b) of the
4 *Cranston-Gonzalez National Affordable Housing Act (42*
5 *U.S.C. 12747 (b)) is amended—*

6 (1) *in paragraph (2), by striking “\$500,000”*
7 *each place that term appears and inserting*
8 *“\$750,000”;*

9 (2) *in paragraph (3)—*

10 (A) *by striking “jurisdictions that are allo-*
11 *cated an amount of \$500,000 or more” and in-*
12 *serting “jurisdictions that are allocated an*
13 *amount of \$750,000 or more”;*

14 (B) *by striking “that are allocated an*
15 *amount less than \$500,000” and inserting “that*
16 *are allocated an amount less than \$500,000 be-*
17 *fore the date of enactment of the 21st Century*
18 *ROAD to Housing Act or less than \$750,000 on*
19 *or after the date of enactment of the 21st Cen-*
20 *tury ROAD to Housing Act”;* and

21 (C) *by striking “, except as provided in*
22 *paragraph (4)”;* and

23 (3) *by striking paragraph (4).*

1 (t) *TECHNICAL AND CONFORMING AMENDMENTS.*—*The*
 2 *Cranston-Gonzalez National Affordable Housing Act (42*
 3 *U.S.C. 12701 et seq.) is amended—*

4 (1) *by striking “Stewart B. McKinney Homeless*
 5 *Assistance Act” each place that term appears and in-*
 6 *serting “McKinney-Vento Homeless Assistance Act”;*

7 (2) *by striking “Committee on Banking, Finance*
 8 *and Urban Affairs” each place that term appears and*
 9 *inserting “Committee on Financial Services”;*

10 (3) *in the table of contents in section 1(b) (Pub-*
 11 *lic Law 101–625; 104 Stat. 4079)—*

12 (A) *by striking the item relating to section*
 13 *205 and inserting the following:*

“Sec. 205. Authorization of program.”;

14 (B) *by striking the item relating to section*
 15 *223 and inserting the following:*

“Sec. 223. Program enforcement and penalties for noncompliance.”; and

16 (C) *by inserting after the item relating to*
 17 *section 290 the following:*

“Sec. 291. Nonapplicability of certain requirements for small projects.”;

18 (4) *in section 104 (42 U.S.C. 12704)—*

19 (A) *by redesignating paragraph (23) (relat-*
 20 *ing to the definition of the term “to demonstrate*
 21 *to the Secretary”) as paragraph (22); and*

22 (B) *by redesignating paragraph (24) (relat-*
 23 *ing to the definition of the term “insular area”,*

1 *as added by section 2(2) of Public Law 102–230*
2 *as paragraph (23);*

3 (5) *in section 105(b)(8) (42 U.S.C. 12705(b)(8)),*
4 *by striking “subparagraphs” and inserting “para-*
5 *graphs”;*

6 (6) *in section 108(a)(1) (42 U.S.C. 12708(a)(1)),*
7 *by striking “section 105(b)(15)” and inserting “sec-*
8 *tion 105(b)(18)”;*

9 (7) *in section 212 (42 U.S.C. 12742)—*

10 (A) *in subsection (a)(3)(A)(ii), by inserting*
11 *“United States” before “Housing Act”;*

12 (B) *in subsection (d)(5), by inserting*
13 *“United States” before “Housing Act”; and*

14 (C) *in subsection (e)(1)—*

15 (i) *by striking “section 221(d)(3)(ii)”*
16 *and inserting “section 221(d)(4)”;* and

17 (ii) *by striking “not to exceed 140 per-*
18 *cent” and inserting “as determined by the*
19 *Secretary”;*

20 (8) *in section 215(a)(6)(B) (42 U.S.C.*
21 *12745(a)(6)(B)), by striking “grand children” and*
22 *inserting “grandchildren”;*

23 (9) *in section 217 (42 U.S.C. 12747)—*

24 (A) *in subsection (a)—*

1 (i) in paragraph (1), by striking “(3)”
2 and inserting “(2)”;

3 (ii) by striking paragraph (3), as
4 added by section 211(a)(2)(D) of the Hous-
5 ing and Community Development Act of
6 1992 (Public Law 102–550; 106 Stat.
7 3756); and

8 (iii) by redesignating the remaining
9 paragraph (3), as added by the matter
10 under the heading “HOME INVESTMENT
11 PARTNERSHIPS PROGRAM” under the head-
12 ing “HOUSING PROGRAMS” in title II of the
13 Departments of Veterans Affairs and Hous-
14 ing and Urban Development, and Inde-
15 pendent Agencies Appropriations Act, 1993
16 (Public Law 102–389; 106 Stat. 1581), as
17 paragraph (2); and

18 (B) in subsection (b)(1)—

19 (i) in subparagraph (A), in the first
20 sentence—

21 (I) by striking “in regulation”
22 and inserting “, by regulation,”; and

23 (II) by striking “eligible jurisdic-
24 tion” and inserting “eligible jurisdic-
25 tions”; and

1 (ii) in subparagraph (F), in the first
2 sentence—

3 (I) in clause (i), by striking “Sub-
4 committee on Housing and Urban Af-
5 fairs” and inserting “Subcommittee on
6 Housing, Transportation, and Commu-
7 nity Development”; and

8 (II) in clause (ii), by striking
9 “Subcommittee on Housing and Com-
10 munity Development of the Committee
11 on Banking, Finance and Urban Af-
12 fairs” and inserting “Subcommittee on
13 Housing and Insurance of the Com-
14 mittee on Financial Services”;

15 (10) in section 220(c) (42 U.S.C. 12750(c))—

16 (A) in paragraph (3), by striking “Sec-
17 retary” and all that follows and inserting “Sec-
18 retary;”;

19 (B) in paragraph (4), by striking “under
20 this title” and all that follows and inserting
21 “under this title;”; and

22 (C) by redesignating paragraphs (6), (7),
23 and (8) as paragraphs (5), (6), and (7), respec-
24 tively;

1 (11) in section 225(d)(4)(B) (42 U.S.C.
2 12755(d)(4)(B)), by striking “for” the first place that
3 term appears; and

4 (12) in section 233 (42 U.S.C. 12773)—

5 (A) in subsection (b)(6), by striking “to
6 community land trusts (as such term is defined
7 in subsection (f))” and inserting “to community
8 land trusts (as such term is defined in section
9 104)”;

10 (B) by striking subsection (f).

11 **SEC. 503. RURAL HOUSING SERVICE REFORM ACT.**

12 (a) *APPLICATION OF MULTIFAMILY MORTGAGE FORE-*
13 *CLOSURE PROCEDURES TO MULTIFAMILY MORTGAGES*
14 *HELD BY THE SECRETARY OF AGRICULTURE AND PRESER-*
15 *VATION OF THE RENTAL ASSISTANCE CONTRACT UPON*
16 *FORECLOSURE.—*

17 (1) *MULTIFAMILY MORTGAGE PROCEDURES.—*

18 Section 363(2) of the *Multifamily Mortgage Fore-*
19 *closure Act of 1981 (12 U.S.C. 3702(2)) is amended—*

20 (A) in subparagraph (D), by striking “and”
21 at the end;

22 (B) in subparagraph (E), by striking the
23 period at the end and inserting “; or”; and

24 (C) by adding at the end the following:

1 “(F) section 514, 515, or 538 of the Hous-
2 ing Act of 1949 (42 U.S.C. 1484, 1485, 1490p-
3 2).”.

4 (2) *PRESERVATION OF CONTRACT.*—Section
5 521(d) of the Housing Act of 1949 (42 U.S.C.
6 1490a(d)) is amended by adding at the end the fol-
7 lowing:

8 “(3) Notwithstanding any other provision of law, in
9 managing and disposing of any multifamily property that
10 is owned or has a mortgage held by the Secretary, and dur-
11 ing the process of foreclosure on any property with a con-
12 tract for rental assistance under this section—

13 “(A) the Secretary shall maintain any rental as-
14 sistance payments that are attached to any dwelling
15 units in the property; and

16 “(B) the rental assistance contract may be used
17 to provide further assistance to existing projects under
18 514, 515, or 516.”.

19 (b) *STUDY ON RURAL HOUSING LOANS FOR HOUSING*
20 *FOR LOW- AND MODERATE-INCOME FAMILIES.*—Not later
21 than 6 months after the date of enactment of this Act, the
22 Secretary of Agriculture shall conduct a study and submit
23 to Congress a publicly available report on the loan program
24 under section 521 of the Housing Act of 1949 (42 U.S.C.
25 1490a), including—

1 (1) *the total amount provided by the Secretary*
2 *in subsidies under such section 521 to borrowers with*
3 *loans made pursuant to section 502 of such Act (42*
4 *U.S.C. 1472);*

5 (2) *how much of the subsidies described in para-*
6 *graph (1) are being recaptured; and*

7 (3) *the amount of time and costs associated with*
8 *recapturing those subsidies.*

9 (c) *STAFFING AND INFORMATION TECHNOLOGY UP-*
10 *GRADES.—Utilizing funds appropriated for such purposes,*
11 *the Secretary of Agriculture may increase staffing capacity*
12 *and upgrade information technology to support all Rural*
13 *Housing Service programs.*

14 (d) *TECHNICAL IMPROVEMENTS.—*

15 (1) *AUTHORIZATION OF APPROPRIATIONS.—Uti-*
16 *lizing funds appropriated for such purposes, the Sec-*
17 *retary of Agriculture may make improvements to the*
18 *technology of the Rural Housing Service of the De-*
19 *partment of Agriculture used to process and manage*
20 *housing loans.*

21 (2) *AVAILABILITY.—Amounts appropriated pur-*
22 *suant to paragraph (1) shall remain available until*
23 *the date that is 5 years after the date of the appro-*
24 *priation.*

1 “(2) *TO TENANTS.*—

2 “(A) *IN GENERAL.*—*On an annual basis,*
3 *for each property financed under section 514,*
4 *515, or 516, not later than the date that is 2*
5 *years before the date that the loan will mature,*
6 *the Secretary shall provide written notice to each*
7 *household residing in the property that informs*
8 *them of—*

9 “(i) *the date of the loan maturity;*

10 “(ii) *the possible actions that may*
11 *happen with respect to the property upon*
12 *that maturity; and*

13 “(iii) *how to protect their right to re-*
14 *side in federally assisted housing, or how to*
15 *secure housing voucher, after that maturity.*

16 “(B) *LANGUAGE.*—*Notice under this para-*
17 *graph shall be provided in plain English and*
18 *shall be translated to other languages in the case*
19 *of any property located in an area in which a*
20 *significant number of residents speak such other*
21 *languages.*

22 “(c) *LOAN RESTRUCTURING.*—*Under the program*
23 *under this section, in any circumstance in which the Sec-*
24 *retary proposes a restructuring to an owner or an owner*
25 *proposes a restructuring to the Secretary, the Secretary*

1 *may restructure such existing housing loans, as the Sec-*
2 *retary considers appropriate, for the purpose of ensuring*
3 *that those projects have sufficient resources to preserve the*
4 *projects to provide safe and affordable housing for low-in-*
5 *come residents and farm laborers, by—*

6 “(1) *reducing or eliminating interest;*

7 “(2) *deferring loan payments;*

8 “(3) *subordinating, reducing, or reamortizing*
9 *loan debt;*

10 “(4) *providing other financial assistance, includ-*
11 *ing advances, payments, and incentives (including*
12 *the ability of owners to obtain reasonable returns on*
13 *investment) required by the Secretary; and*

14 “(5) *permanently removing a portion of the*
15 *housing units from income restrictions when sus-*
16 *tained vacancies have occurred.*

17 “(d) *RENEWAL OF RENTAL ASSISTANCE.—*

18 “(1) *IN GENERAL.—When the Secretary proposes*
19 *to restructure a loan or agrees to the proposal of an*
20 *owner to restructure a loan pursuant to subsection*
21 *(c), the Secretary shall offer to renew the rental as-*
22 *sistance contract under section 521(a)(2) for a term*
23 *that is the shorter of 20 years and the term of the re-*
24 *structured loan, subject to annual appropriations,*
25 *provided that the owner agrees to bring the property*

1 *up to such standards that will ensure maintenance of*
2 *the property as decent, safe, and sanitary housing for*
3 *the full term of the rental assistance contract.*

4 “(2) *ADDITIONAL RENTAL ASSISTANCE.*—*With*
5 *respect to a project described in paragraph (1), if*
6 *rental assistance is not available for all households in*
7 *the project for which the loan is being restructured*
8 *pursuant to subsection (c), the Secretary may extend*
9 *such additional rental assistance to unassisted house-*
10 *holds at that project as is necessary to make the*
11 *project safe and affordable to low-income households.*

12 “(e) *RESTRICTIVE USE AGREEMENTS.*—

13 “(1) *REQUIREMENT.*—*As part of the preserva-*
14 *tion and revitalization agreement for a project, the*
15 *Secretary shall obtain a restrictive use agreement that*
16 *is recorded and obligates the owner to operate the*
17 *project in accordance with this title.*

18 “(2) *TERM.*—

19 “(A) *NO EXTENSION OF RENTAL ASSIST-*
20 *ANCE CONTRACT.*—*Except when the Secretary*
21 *enters into a 20-year extension of the rental as-*
22 *sistance contract for a project, the term of the re-*
23 *strictive use agreement for the project shall be*
24 *consistent with the term of the restructured loan*
25 *for the project.*

1 “(B) *EXTENSION OF RENTAL ASSISTANCE*
2 *CONTRACT.*—*If the Secretary enters into a 20-*
3 *year extension of the rental assistance contract*
4 *for a project, the term of the restrictive use agree-*
5 *ment for the project shall be for the longer of—*

6 “(i) 20 years; or

7 “(ii) the remaining term of the loan
8 *for that project.*

9 “(C) *TERMINATION.*—*The Secretary may*
10 *terminate the 20-year use restrictive use agree-*
11 *ment for a project before the end of the term of*
12 *the agreement if the 20-year rental assistance*
13 *contract for the project with the owner is termi-*
14 *nated at any time for reasons outside the control*
15 *of the owner.*

16 “(f) *DECOUPLING OF RENTAL ASSISTANCE.*—

17 “(1) *RENEWAL OF RENTAL ASSISTANCE CON-*
18 *TRACT.*—*If the Secretary determines that a loan ma-*
19 *turing during the 4-year period beginning upon the*
20 *provision of the notice required under subsection*
21 *(b)(1) for a project cannot reasonably be restructured*
22 *in accordance with subsection (c) because it is not fi-*
23 *nancially feasible or the owner does not agree with the*
24 *proposed restructuring, and the project was operating*
25 *with rental assistance under section 521 and the re-*

1 *recipient is a borrower under section 514 or 515, the*
2 *Secretary may renew the rental assistance contract,*
3 *notwithstanding any requirement under section 521*
4 *that the recipient be a current borrower under section*
5 *514 or 515, for a term of 20 years, subject to annual*
6 *appropriations.*

7 “(2) *ADDITIONAL RENTAL ASSISTANCE.*—*With*
8 *respect to a project described in paragraph (1), if*
9 *rental assistance is not available for all households in*
10 *the project for which the loan is being restructured*
11 *pursuant to subsection (c), the Secretary may extend*
12 *such additional rental assistance to unassisted house-*
13 *holds at that project as is necessary to make the*
14 *project safe and affordable to low-income households.*

15 “(3) *RENTS.*—

16 “(A) *IN GENERAL.*—*Any agreement to ex-*
17 *tend the term of the rental assistance contract*
18 *under section 521 for a project shall obligate the*
19 *owner to continue to maintain the project as de-*
20 *cent, safe, and sanitary housing and to operate*
21 *the development as affordable housing in a man-*
22 *ner that meets the goals of this title.*

23 “(B) *RENT AMOUNTS.*—*Subject to subpara-*
24 *graph (C), in setting rents, the Secretary—*

1 “(i) shall determine the maximum ini-
2 tial rent based on current fair market rents
3 established under section 8 of the United
4 States Housing Act of 1937 (42 U.S.C.
5 1437f); and

6 “(ii) may annually adjust the rent de-
7 termined under clause (i) by the operating
8 cost adjustment factor as provided under
9 section 524 of the Multifamily Assisted
10 Housing Reform and Affordability Act of
11 1997 (42 U.S.C. 1437f note).

12 “(C) HIGHER RENT.—

13 “(i) IN GENERAL.—Subparagraph (B)
14 shall not apply if the Secretary determines
15 that the budget-based needs of a project re-
16 quire a higher rent than the rent described
17 in subparagraph (B).

18 “(ii) RENT.—If the Secretary makes a
19 positive determination under clause (i), the
20 Secretary may approve a budget-based rent
21 level for the project.

22 “(4) CONDITIONS FOR APPROVAL.—Before the
23 approval of a rental assistance contract authorized
24 under this section, the Secretary shall require,
25 through an annual notice in the Federal Register, the

1 owner to submit to the Secretary a plan that identi-
2 fies financing sources and a timetable for renovations
3 and improvements determined to be necessary by the
4 Secretary to maintain and preserve the project.

5 “(g) *MULTIFAMILY HOUSING TRANSFER TECHNICAL*
6 *ASSISTANCE.*—Under the program under this section, the
7 Secretary may provide grants to qualified nonprofit organi-
8 zations and public housing agencies to provide technical as-
9 sistance, including financial and legal services, to borrowers
10 under loans under this title for multifamily housing to fa-
11 cilitate the acquisition or preservation of such multifamily
12 housing properties in areas where the Secretary determines
13 there is a risk of loss of affordable housing.

14 “(h) *ADMINISTRATIVE EXPENSES.*—Of any amounts
15 made available for the program under this section for any
16 fiscal year, the Secretary may use not more than \$1,000,000
17 for administrative expenses for carrying out such program.

18 “(i) *RULEMAKING.*—

19 “(1) *IN GENERAL.*—Not later than 180 days
20 after the date of enactment of the 21st Century *ROAD*
21 to Housing Act, the Secretary shall—

22 “(A) publish an advance notice of proposed
23 rulemaking; and

24 “(B) consult with appropriate stakeholders.

1 “(2) *INTERIM FINAL RULE.*—Not later than 1
2 year after the date of enactment of the 21st Century
3 *ROAD to Housing Act*, the Secretary shall publish an
4 interim final rule to carry out this section.”.

5 (f) *RENTAL ASSISTANCE CONTRACT AUTHORITY.*—
6 Section 521(d) of the *Housing Act of 1949* (42 U.S.C.
7 1490a(d)), as amended by this section, is amended—

8 (1) in paragraph (1)—

9 (A) by redesignating subparagraphs (B)
10 and (C) as subparagraphs (C) and (D), respec-
11 tively;

12 (B) by inserting after subparagraph (A) the
13 following:

14 “(B) upon request of an owner of a project fi-
15 nanced under section 514 or 515, the Secretary is au-
16 thorized to enter into renewal of such agreements for
17 a period of 20 years or the term of the loan, which-
18 ever is shorter, subject to amounts made available in
19 appropriations Acts;”;

20 (C) in subparagraph (C), as so redesi-
21 gnated, by striking “subparagraph (A)” and in-
22 serting “subparagraphs (A) and (B)”; and

23 (D) in subparagraph (D), as so redesi-
24 gnated, by striking “subparagraphs (A) and (B)”

1 *and inserting “subparagraphs (A), (B), and*
2 *(C)”;*

3 *(2) in paragraph (2), by striking “shall” and in-*
4 *serting “may”; and*

5 *(3) by adding at the end the following:*

6 *“(4) In the case of any rental assistance contract au-*
7 *thority that becomes available because of the termination*
8 *of assistance on behalf of an assisted family—*

9 *“(A) at the option of the owner of the rental*
10 *project, the Secretary shall provide the owner a period*
11 *of not more than 6 months before unused assistance*
12 *is made available pursuant to subparagraph (B) dur-*
13 *ing which the owner may use such authority to pro-*
14 *vide assistance on behalf of an eligible unassisted*
15 *family that—*

16 *“(i) is residing in the same rental project in*
17 *which the assisted family resided before the ter-*
18 *mination; or*

19 *“(ii) newly occupies a dwelling unit in the*
20 *rental project during that 6-month period; and*

21 *“(B) except for assistance used as provided in*
22 *subparagraph (A), the Secretary shall use such re-*
23 *maining authority to provide assistance on behalf of*
24 *eligible families residing in other rental projects*
25 *originally financed under section 514, 515, or 516.”.*

1 (g) *MODIFICATIONS TO LOANS AND GRANTS FOR*
 2 *MINOR IMPROVEMENTS TO FARM HOUSING AND BUILD-*
 3 *INGS; INCOME ELIGIBILITY.*—Section 504(a) of the Housing
 4 Act of 1949 (42 U.S.C. 1474(a)) is amended—

5 (1) in the first sentence, by inserting “and may
 6 make a loan to an eligible low-income applicant”
 7 after “applicant”;

8 (2) by inserting “Not less than 60 percent of
 9 loan funds made available under this section shall be
 10 reserved and made available for very low-income ap-
 11 plicants.” after the first sentence; and

12 (3) by striking “\$7,500” and inserting
 13 “\$15,000”.

14 (h) *RURAL COMMUNITY DEVELOPMENT INITIATIVE.*—
 15 Subtitle E of the Consolidated Farm and Rural Develop-
 16 ment Act (7 U.S.C. 2009 et seq.) is amended by adding
 17 at the end the following:

18 **“SEC. 3810. RURAL COMMUNITY DEVELOPMENT INITIATIVE.**

19 “(a) *DEFINITIONS.*—In this section:

20 “(1) *ELIGIBLE ENTITY.*—The term ‘eligible enti-
 21 ty’ means—

22 “(A) a private, nonprofit community-based
 23 housing or community development organization;

24 “(B) a rural community; or

25 “(C) a federally recognized Indian tribe.

1 “(2) *ELIGIBLE INTERMEDIARY.*—*The term ‘eligible*
2 *intermediary’ means a qualified—*

3 “(A) *private, nonprofit organization; or*

4 “(B) *public organization.*

5 “(b) *ESTABLISHMENT.*—*The Secretary shall establish*
6 *a Rural Community Development Initiative, under which*
7 *the Secretary shall provide grants, subject to the avail-*
8 *ability of appropriations, to eligible intermediaries to carry*
9 *out programs to provide financial and technical assistance*
10 *to eligible entities to develop the capacity and ability of*
11 *eligible entities to carry out projects to improve housing,*
12 *community facilities, and community and economic devel-*
13 *opment projects in rural areas.*

14 “(c) *AMOUNT OF GRANTS.*—*The amount of a grant*
15 *provided to an eligible intermediary under this section shall*
16 *be not more than \$500,000.*

17 “(d) *MATCHING FUNDS.*—

18 “(1) *IN GENERAL.*—*An eligible intermediary re-*
19 *ceiving a grant under this section shall provide*
20 *matching funds from other sources, including Federal*
21 *funds for related activities, in an amount not less*
22 *than the amount of the grant.*

23 “(2) *WAIVER.*—*The Secretary may waive para-*
24 *graph (1) with respect to a project that would be car-*

1 *ried out in a persistently poor rural region, as deter-*
 2 *mined by the Secretary.”.*

3 *(i) ANNUAL REPORT ON RURAL HOUSING PRO-*
 4 *GRAMS.—Title V of the Housing Act of 1949 (42 U.S.C.*
 5 *1471 et seq.), as amended by this section, is amended by*
 6 *adding at the end the following:*

7 **“SEC. 546. ANNUAL REPORT.**

8 *“(a) IN GENERAL.—The Secretary shall submit to the*
 9 *appropriate committees of Congress and publish on the*
 10 *website of the Department of Agriculture an annual report*
 11 *on rural housing programs carried out under this title,*
 12 *which shall include significant details on the health of*
 13 *Rural Housing Service programs, including—*

14 *“(1) raw data sortable by programs and by re-*
 15 *gion regarding loan performance;*

16 *“(2) the housing stock of those programs, includ-*
 17 *ing information on why properties end participation*
 18 *in those programs, such as for maturation, prepay-*
 19 *ment, foreclosure, or other servicing issues; and*

20 *“(3) risk ratings for properties assisted under*
 21 *those programs.*

22 *“(b) PROTECTION OF INFORMATION.—The data in-*
 23 *cluded in each report required under subsection (a) may*
 24 *be aggregated or anonymized to protect participant finan-*
 25 *cial or personal information.”.*

1 (j) *GAO REPORT ON RURAL HOUSING SERVICE TECH-*
2 *NOLOGY.*—*Not later than 1 year after the date of enactment*
3 *of this Act, the Comptroller General of the United States*
4 *shall submit to Congress a report that includes—*

5 (1) *an analysis of how the outdated technology*
6 *used by the Rural Housing Service impacts partici-*
7 *pants in the programs of the Rural Housing Service;*

8 (2) *an estimate of the amount of funding that is*
9 *needed to modernize the technology used by the Rural*
10 *Housing Service; and*

11 (3) *an estimate of the number and type of new*
12 *employees the Rural Housing Service needs to mod-*
13 *ernize the technology used by the Rural Housing*
14 *Service.*

15 (k) *ADJUSTMENT TO RURAL DEVELOPMENT VOUCHER*
16 *AMOUNT.*—

17 (1) *IN GENERAL.*—*Not later than 2 years after*
18 *the date of enactment of this Act, the Secretary of Ag-*
19 *riculture shall issue regulations to establish a process*
20 *for adjusting the voucher amount provided under sec-*
21 *tion 542 of the Housing Act of 1949 (42 U.S.C.*
22 *1490r) after the issuance of the voucher following an*
23 *interim or annual review of the amount of the vouch-*
24 *er.*

1 (2) *INTERIM REVIEW.*—*The interim review de-*
2 *scribed in paragraph (1) shall, at the request of a ten-*
3 *ant, allow for a recalculation of the voucher amount*
4 *when the tenant experiences a reduction in income,*
5 *change in family composition, or change in rental*
6 *rate.*

7 (3) *ANNUAL REVIEW.*—

8 (A) *IN GENERAL.*—*The annual review de-*
9 *scribed in paragraph (1) shall require tenants to*
10 *annually recertify the family composition of the*
11 *household and that the family income of the*
12 *household does not exceed 80 percent of the area*
13 *median income at a time determined by the Sec-*
14 *retary of Agriculture.*

15 (B) *CONSIDERATIONS.*—*If a tenant does not*
16 *recertify the family composition and family in-*
17 *come of the household within the time frame re-*
18 *quired under subparagraph (A), the Secretary of*
19 *Agriculture—*

20 (i) *shall consider whether extenuating*
21 *circumstances caused the delay in recertifi-*
22 *cation; and*

23 (ii) *may alter associated consequences*
24 *for the failure to recertify based on those*
25 *circumstances.*

1 (C) *EFFECTIVE DATE.*—Following the an-
2 nual review of a voucher under paragraph (1),
3 the updated voucher amount shall be effective on
4 the 1st day of the month following the expiration
5 of the voucher.

6 (4) *DEADLINE.*—The process established under
7 paragraph (1) shall require the Secretary of Agri-
8 culture to review and update the voucher amount de-
9 scribed in paragraph (1) for a tenant not later than
10 60 days before the end of the voucher term.

11 (l) *ELIGIBILITY FOR RURAL HOUSING VOUCHERS.*—
12 Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r)
13 is amended by adding at the end the following:

14 “(c) *ELIGIBILITY OF HOUSEHOLDS IN SECTIONS 514,*
15 515, AND 516 PROJECTS.—The Secretary may provide
16 rural housing vouchers under this section for any low-in-
17 come household (including those not receiving rental assist-
18 ance) residing for a term longer than the remaining term
19 of their lease that is in effect on the date of prepayment,
20 foreclosure, or mortgage maturity, in a property financed
21 with a loan under section 514 or 515 or a grant under
22 section 516 that has—

23 “(1) been prepaid with or without restrictions
24 imposed by the Secretary pursuant to section
25 502(c)(5)(G)(ii)(I);

1 “(2) *been foreclosed; or*

2 “(3) *matured after September 30, 2005.*”.

3 (m) *AMOUNT OF VOUCHER ASSISTANCE.—Notwith-*
4 *standing any other provision of law, in the case of any*
5 *rural housing voucher provided pursuant to section 542 of*
6 *the Housing Act of 1949 (42 U.S.C. 1490r), the amount*
7 *of the monthly assistance payment for the household on*
8 *whose behalf the assistance is provided shall be determined*
9 *as provided in subsection (a) of such section 542, including*
10 *providing for interim and annual review of the voucher*
11 *amount in the event of a change in household composition*
12 *or income or rental rate.*

13 (n) *TRANSFER OF MULTIFAMILY RURAL HOUSING*
14 *PROJECTS.—Section 515 of the Housing Act of 1949 (42*
15 *U.S.C. 1485) is amended—*

16 (1) *in subsection (h), by adding at the end the*
17 *following:*

18 “(3) *TRANSFER TO NONPROFIT ORGANIZA-*
19 *TIONS.—A nonprofit or public body purchaser, in-*
20 *cluding a limited partnership with a general partner*
21 *with the principal purpose of providing affordable*
22 *housing, may purchase a property for which a loan*
23 *is made or insured under this section that has re-*
24 *ceived a market value appraisal, without addressing*

1 *rehabilitation needs at the time of purchase, if the*
2 *purchaser—*

3 *“(A) makes a commitment to address reha-*
4 *bilitation needs during ownership and long-term*
5 *use restrictions on the property; and*

6 *“(B) at the time of purchase, accepts long-*
7 *term use restrictions on the property.”; and*

8 *(2) in subsection (w)(1), in the first sentence in*
9 *the matter preceding subparagraph (A), by striking*
10 *“9 percent” and inserting “25 percent”.*

11 *(o) EXTENSION OF LOAN TERM.—*

12 *(1) IN GENERAL.—Section 502(a)(2) of the*
13 *Housing Act of 1949 (42 U.S.C. 1472(a)(2)) is*
14 *amended—*

15 *(A) by inserting “(A)” before “The Sec-*
16 *retary”;*

17 *(B) in subparagraph (A), as so designated,*
18 *by striking “paragraph” and inserting “sub-*
19 *paragraph”;* and

20 *(C) by adding at the end the following:*

21 *“(B) The Secretary may refinance or modify the*
22 *period of any loan, including any refinanced loan,*
23 *made under this section in accordance with terms and*
24 *conditions as the Secretary shall prescribe, but in no*

1 *event shall the total term of the loan from the date of*
2 *the refinance or modification exceed 40 years.”.*

3 (2) *APPLICATION.—The amendment made under*
4 *paragraph (1) shall apply with respect to loans made*
5 *under section 502 of the Housing Act of 1949 (42*
6 *U.S.C. 1472) before, on, or after the date of enactment*
7 *of this Act.*

8 (p) *RELEASE OF LIABILITY FOR SECTION 502 GUAR-*
9 *ANTEED BORROWER UPON ASSUMPTION OF ORIGINAL*
10 *LOAN BY NEW BORROWER.—Section 502(h) of the Housing*
11 *Act of 1949 (42 U.S.C. 1472(h)) is amended—*

12 (1) *by striking paragraph (10) and inserting the*
13 *following:*

14 “(10) *TRANSFER AND ASSUMPTION.—Upon the*
15 *transfer of property for which a guaranteed loan*
16 *under this subsection was made and the assumption*
17 *of the guaranteed loan by an approved eligible bor-*
18 *rower, the original borrower of a guaranteed loan*
19 *under this subsection shall be relieved of liability with*
20 *respect to the loan.”;*

21 (2) *by redesignating paragraph (16) as para-*
22 *graph (17); and*

23 (3) *by inserting after paragraph (15) the fol-*
24 *lowing:*

25 “(16) *FEE.—*

1 “(A) *IN GENERAL.*—*The mortgagee may*
 2 *charge an assuming borrower a reasonable and*
 3 *customary processing fee for an assumption re-*
 4 *quest made under this subsection.*

5 “(B) *MAXIMUM FEE.*—*The Secretary shall*
 6 *set a maximum allowable fee described in sub-*
 7 *paragraph (A), which may be indexed for infla-*
 8 *tion.”.*

9 (q) *DEPARTMENT OF AGRICULTURE LOAN RESTRIC-*
 10 *TIONS.*—

11 (1) *DEFINITIONS.*—*In this subsection, the terms*
 12 *“State” and “tribal organization” have the meanings*
 13 *given those terms in section 658P of the Child Care*
 14 *and Development Block Grant Act of 1990 (42 U.S.C.*
 15 *9858n).*

16 (2) *REVISION.*—*The Secretary of Agriculture*
 17 *shall revise section 3555.102(c) of title 7, Code of Fed-*
 18 *eral Regulations, to exclude from the restriction under*
 19 *that section—*

20 (A) *a home-based business that is a licensed,*
 21 *registered, or regulated child care provider under*
 22 *State law or by a tribal organization; and*

23 (B) *an applicant that has applied to be-*
 24 *come a licensed, registered or regulated child care*

1 *provider under State law or by a tribal organi-*
2 *zation.*

3 *(r) LOAN GUARANTEES.—Section 502(h)(4) of the*
4 *Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amended—*

5 *(1) by redesignating subparagraphs (A), (B),*
6 *and (C) as clauses (i), (ii), and (iii), respectively,*
7 *and adjusting the margins accordingly;*

8 *(2) by striking “Loans may be guaranteed” and*
9 *inserting the following:*

10 *“(A) DEFINITION.—In this paragraph, the*
11 *term ‘accessory dwelling unit’ means a single,*
12 *habitable living unit—*

13 *“(i) with means of separate ingress*
14 *and egress;*

15 *“(ii) that is usually subordinate in*
16 *size;*

17 *“(iii) that can be added to, created*
18 *within, or detached from a primary 1-unit,*
19 *single-family dwelling; and*

20 *“(iv) in combination with a primary*
21 *1-unit, single family dwelling, constitutes a*
22 *single interest in real estate.*

23 *“(B) SINGLE FAMILY REQUIREMENT.—*
24 *Loans may be guaranteed”; and*

25 *(3) by adding at the end the following:*

1 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
2 *this paragraph shall be construed to prohibit the*
3 *leasing of an accessory dwelling unit or the use*
4 *of rental income derived from such a lease to*
5 *qualify for a loan guaranteed under this sub-*
6 *section—*

7 “(i) *after the date of enactment of the*
8 *21st Century ROAD to Housing Act; and*

9 “(ii) *if the property that is the subject*
10 *of the loan was constructed before the date*
11 *of enactment of the 21st Century ROAD to*
12 *Housing Act.”.*

13 (s) *APPLICATION REVIEW.*—

14 (1) *SENSE OF CONGRESS.*—*It is the sense of*
15 *Congress, not later than 90 days after the date on*
16 *which the Secretary of Agriculture receives an appli-*
17 *cation for a loan, grant, or combined loan and grant*
18 *under section 502 or 504 of the Housing Act of 1949*
19 *(42 U.S.C. 1472, 1474), the Secretary of Agriculture*
20 *should—*

21 (A) *review the application;*

22 (B) *complete the underwriting;*

23 (C) *make a determination of eligibility with*
24 *respect to the application; and*

25 (D) *notify the applicant of determination.*

1 (2) *REPORT.*—

2 (A) *IN GENERAL.*—*Not later than 90 days*
3 *after the date of enactment of this Act, and an-*
4 *nually thereafter until the date described in sub-*
5 *paragraph (B), the Secretary of Agriculture shall*
6 *submit to the Committee on Banking, Housing,*
7 *and Urban Affairs of the Senate and the Com-*
8 *mittee on Financial Services of the House of*
9 *Representatives a report—*

10 (i) *detailing the timeliness of eligibility*
11 *determinations and final determinations*
12 *with respect to applications under sections*
13 *502 and 504 of the Housing Act of 1949 (42*
14 *U.S.C. 1472, 1474), including justifications*
15 *for any eligibility determinations taking*
16 *longer than 90 days; and*

17 (ii) *that includes recommendations to*
18 *shorten the timeline for notifications of eli-*
19 *gibility determinations described in clause*
20 *(i) to not more than 90 days.*

21 (B) *DATE DESCRIBED.*—*The date described*
22 *in this subparagraph is the date on which, dur-*
23 *ing the preceding 5-year period, the Secretary of*
24 *Agriculture provides each eligibility determina-*
25 *tion described in subparagraph (A) during the*

1 90-day period beginning on the date on which
2 each application is received.

3 **SEC. 504. NEW MOVING TO WORK COHORT.**

4 (a) *DEFINITIONS.*—*In this section:*

5 (1) *MOVING TO WORK DEMONSTRATION.*—*The*
6 *term “Moving to Work demonstration” means the*
7 *Moving to Work demonstration authorized under sec-*
8 *tion 204 of the Departments of Veterans Affairs and*
9 *Housing and Urban Development, and Independent*
10 *Agencies Appropriations Act, 1996 (42 U.S.C. 1437f*
11 *note).*

12 (2) *SECRETARY.*—*The term “Secretary” means*
13 *the Secretary of Housing and Urban Development.*

14 (b) *AUTHORIZATION OF ADDITIONAL PUBLIC HOUSING*
15 *AGENCIES.*—

16 (1) *IN GENERAL.*—*After the completion of the*
17 *initial report required under subsection (h)(2), the*
18 *Secretary may add up to an additional 25 public*
19 *housing agencies that are designated as high per-*
20 *forming agencies under the Public Housing Assess-*
21 *ment System or the Section 8 Management Assess-*
22 *ment Program to participate in a new cohort as part*
23 *of the Moving to Work demonstration.*

1 (2) *NAME.*—*The new cohort authorized under*
2 *paragraph (1) shall be entitled the “Economic Oppor-*
3 *tunity and Pathways to Independence Cohort”.*

4 (c) *WAIVER AUTHORITY.*—

5 (1) *IN GENERAL.*—*Subject to this subsection, the*
6 *authority of the Secretary to grant waivers to agen-*
7 *cies admitted to the Moving to Work demonstration*
8 *under this section or to designate policy changes as*
9 *part of a cohort design under this section shall be*
10 *limited to the Moving to Work waivers codified as of*
11 *January 2025 in Appendix I of the document of the*
12 *Department of Housing and Urban Development enti-*
13 *tled “Operations Notice for the Expansion of the Mov-*
14 *ing to Work Demonstration Program” (FR–5994–N–*
15 *05) published in the Federal Register on August 28,*
16 *2020, as amended by the notice entitled “Operations*
17 *Notice for Expansion of the Moving to Work Dem-*
18 *onstration Program Technical Revisions” (FR–5994–*
19 *N–06) published in the Federal Register on March 20,*
20 *2025.*

21 (2) *MODIFICATIONS.*—*The Secretary may not*
22 *wave the safe harbor requirements that apply to the*
23 *Moving to Work waivers described in paragraph (1)*
24 *or modify those waivers in any other way for the pur-*
25 *poses of the new cohort under this section.*

1 (3) *EXCEPTIONS.*—

2 (A) *IN GENERAL.*—Under paragraph (1),
3 the Secretary may not grant waiver 1c, 1d, 1e,
4 1f, 1k, 1l, 1o, 1p, 1q, 6, 7, 9a, 9h, or 12 in the
5 document described in paragraph (1), including
6 modifications of or safe harbor requirement
7 waivers for such waivers.

8 (B) *SPECIFIC WAVERS.*—If the Secretary
9 grants waiver 10 or 11 in the document de-
10 scribed in paragraph (1), resident participation
11 in any program administered pursuant to those
12 waivers shall be optional for purposes of the new
13 cohort under this section.

14 (4) *POLICY OPTIONS.*—In carrying out the Mov-
15 ing to Work demonstration cohort established under
16 this section, the Secretary may consider policy op-
17 tions to provide opt-out savings or escrow accounts
18 and report positive rental payments to consumer re-
19 porting agencies (as defined in section 603 of the Fair
20 Credit Reporting Act (15 U.S.C. 1681a)) with resi-
21 dent consent.

22 (d) *FUNDING AND USE OF FUNDS.*—

23 (1) *IN GENERAL.*—Public housing agencies in the
24 cohort authorized under this section may expend not
25 more than 5 percent of the amounts those public hous-

1 *ing agencies receive in any fiscal year for housing as-*
2 *istance payments under section 8(o) of the United*
3 *States Housing Act of 1937 (42 U.S.C. 1437f(o)) for*
4 *purposes other than such housing assistance pay-*
5 *ments.*

6 (2) *OTHER USES.*—*Such other uses of amounts*
7 *described in paragraph (1) shall comply with all*
8 *other applicable requirements.*

9 (3) *FORMULA.*—

10 (A) *RENEWAL.*—*The amount of funding*
11 *public housing agencies receive for renewal of*
12 *housing assistance payments under section 8(o)*
13 *of the United States Housing Act of 1937 (42*
14 *U.S.C. 1437f(o)) shall be determined according*
15 *to the same funding formula applicable to public*
16 *housing agencies that do not participate in the*
17 *Moving to Work demonstration, except that the*
18 *Secretary shall provide public housing agencies*
19 *funding to renew any funds expended under this*
20 *subsection, with an adjustment for inflation.*

21 (B) *ADMINISTRATIVE FEES.*—*The amount*
22 *of funding public housing agencies receive for ad-*
23 *ministrative fees under section 8(q) of the United*
24 *States Housing Act of 1937 (42 U.S.C. 1437f(q)),*
25 *public housing operating subsidies under section*

1 9(e) of the United States Housing Act of 1937
2 (42 U.S.C. 1437g(e)), and public housing capital
3 funding under section 9(d) of the United States
4 Housing Act of 1937 (42 U.S.C. 1437g(d)) shall
5 be determined according to the same funding for-
6 mula applicable to public housing agencies that
7 do not participate in the Moving to Work dem-
8 onstration.

9 (e) *SELECTION REQUIREMENTS.*—The Secretary shall
10 select public housing agencies designated under this section
11 through a competitive process, as determined by the Sec-
12 retary, with the following parameters:

13 (1) No public housing agency shall be granted
14 this designation under this section that administers
15 more than 27,000 aggregate housing vouchers and
16 public housing units.

17 (2) Of the public housing agencies selected under
18 this section, not more than 12 shall administer 1,000
19 or fewer aggregate housing vouchers and public hous-
20 ing units, not more than 8 shall administer between
21 1,001 and 6,000 aggregate housing vouchers and pub-
22 lic housing units, and not more than 5 shall admin-
23 ister between 6,001 and 27,000 aggregate housing
24 vouchers and public housing units.

1 (3) *Selection of public housing agencies under*
2 *this section shall be based on ensuring the geographic*
3 *diversity of Moving to Work demonstration public*
4 *housing agencies.*

5 (4) *Within the requirements under paragraphs*
6 *(1) through (3), the Secretary shall prioritize selecting*
7 *public housing agencies that serve families with chil-*
8 *dren and youth aging out of foster care at a rate*
9 *above the national average.*

10 (f) *REQUIREMENTS FOR SELECTED PUBLIC HOUSING*
11 *AGENCIES.—Consistent with section 204(c)(3) of the De-*
12 *partments of Veterans Affairs and Housing and Urban De-*
13 *velopment, and Independent Agencies Appropriations Act,*
14 *1996 (42 U.S.C. 1437f note), public housing agencies se-*
15 *lected for the Moving to Work demonstration under this sec-*
16 *tion shall—*

17 (1) *ensure that not less than 75 percent of the*
18 *families assisted are very low-income families, as de-*
19 *finied in section 3(b)(2)(B) of the United States Hous-*
20 *ing Act of 1937 (42 U.S.C. 1437a(b)(2)(B));*

21 (2) *establish a reasonable rent policy, which*
22 *shall be designed to encourage employment and self-*
23 *sufficiency by participating families, consistent with*
24 *the purpose of the Moving to Work demonstration,*

1 *such as by excluding some or all of a family's earned*
2 *income for purposes of determining rent;*

3 (3) *continue to assist substantially the same total*
4 *number of eligible low-income families as would have*
5 *been served had the amounts not been combined;*

6 (4) *maintain a comparable mix of families (by*
7 *family size) as would have been provided had the*
8 *amounts not been used under the Moving to Work*
9 *demonstration; and*

10 (5) *assure that housing assisted under the Mov-*
11 *ing to Work demonstration meets housing quality*
12 *standards established or approved by the Secretary.*

13 (g) *NONCOMPLIANCE.—*

14 (1) *IN GENERAL.—If the Secretary finds that a*
15 *public housing agency participating in the cohort au-*
16 *thorized under this section is not in compliance with*
17 *the requirements under this section, the Secretary*
18 *shall make a determination of noncompliance.*

19 (2) *COMPLIANCE.—Upon making a determina-*
20 *tion under paragraph (1), the Secretary shall develop*
21 *a process to bring the public housing agency into*
22 *compliance.*

23 (3) *REMOVAL.—If a public housing agency can-*
24 *not be brought into compliance under the process de-*
25 *veloped under paragraph (2), the Secretary shall re-*

1 *move the participating public housing agency from*
2 *the cohort and replace it with a similarly qualified*
3 *public housing agency currently not in the cohort cho-*
4 *sen in the manner described in subsection (e).*

5 (4) *NOTIFICATION.*—*Upon removing a public*
6 *housing agency under paragraph (3), the Secretary*
7 *shall immediately submit to the Committee on Bank-*
8 *ing, Housing, and Urban Affairs of the Senate and*
9 *the Committee on Financial Services of the House of*
10 *Representatives—*

11 (A) *a notification of the removal; and*

12 (B) *a report on the active steps the Sec-*
13 *retary is taking to replace the public housing*
14 *agency with a new public housing agency.*

15 (h) *COMPREHENSIVE MOVING TO WORK REPORTING*
16 *AND OVERSIGHT REQUIREMENTS.*—

17 (1) *COHORT RESEARCH.*—

18 (A) *IN GENERAL.*—*The Secretary shall con-*
19 *tinue ongoing research investigations commenced*
20 *as part of the assessment of the cohorts estab-*
21 *lished under section 239 of the Department of*
22 *Housing and Urban Development Appropria-*
23 *tions Act, 2016 (42 U.S.C. 1437f note; Public*
24 *Law 114–113), make public all products com-*

1 *pleted as part of those investigations, and keep*
2 *such products online for at least 5 years.*

3 *(B) COORDINATION.—The Secretary shall*
4 *coordinate with the advisory committee estab-*
5 *lished under section 239 of the Department of*
6 *Housing and Urban Development Appropria-*
7 *tions Act, 2016 (42 U.S.C. 1437f note; Public*
8 *Law 114–113) to establish a research program to*
9 *evaluate the outcomes and efficacy of the fol-*
10 *lowing for all Moving to Work demonstration*
11 *agencies designated under the authority under*
12 *such section and this section:*

13 *(i) The waivers granted to each cohort*
14 *and whether those waivers accomplish the*
15 *goals of achieving greater cost effectiveness*
16 *and administrative capacity, incentivizing*
17 *families to become economically self-suffi-*
18 *cient, and increasing housing choice.*

19 *(ii) The additional flexibilities granted*
20 *to individual public housing agencies under*
21 *each cohort.*

22 *(iii) How the flexibilities described in*
23 *clause (ii) were used for local, non-tradi-*
24 *tional activities.*

1 (2) *COMPREHENSIVE REPORTING REQUIRE-*
2 *MENT.—Not later than 180 days after the date of en-*
3 *actment of this Act, and annually thereafter, the Sec-*
4 *retary shall submit to the Committee on Banking,*
5 *Housing, and Urban Affairs of the Senate and the*
6 *Committee on Financial Services of the House of Rep-*
7 *resentatives a report that contains the following for*
8 *each Moving to Work demonstration cohort under sec-*
9 *tion 204 of the Departments of Veterans Affairs and*
10 *Housing and Urban Development, and Independent*
11 *Agencies Appropriations Act, 1996 (42 U.S.C. 1437f*
12 *note), section 239 of the Department of Housing and*
13 *Urban Development Appropriations Act, 2016 (42*
14 *U.S.C. 1437f note; Public Law 114–113), and this*
15 *section:*

16 (A) *The annual administrative plans of*
17 *each Moving to Work demonstration public hous-*
18 *ing agency.*

19 (B) *Assessments of longitudinal data, in-*
20 *cluding data on units, households, and outcomes,*
21 *which shall be evaluated to compare changes in*
22 *the following trends before and after Moving to*
23 *Work demonstration designation:*

24 (i) *Impacts on tenants based on the fol-*
25 *lowing, disaggregated by the public housing*

1 *program and the housing choice voucher*
2 *program:*

3 *(I) Eviction rates.*

4 *(II) Hardship policy usage.*

5 *(III) Share of rent covered by a*
6 *household.*

7 *(IV) Turnover, including the*
8 *number of household moves with or*
9 *without continued assistance.*

10 *(V) Reasons for exit from the pro-*
11 *gram.*

12 *(VI) The number and characteris-*
13 *tics of households served, including*
14 *households with a non-elderly family*
15 *member with a disability, households*
16 *with 3 or more minors, homelessness*
17 *status at the time of admission, and*
18 *average and median income as a per-*
19 *cent of area median income.*

20 *(ii) Impacts on public housing agency*
21 *operations based on the following:*

22 *(I) The number of units, broken*
23 *down by type.*

1 (II) *The size, including the num-*
2 *ber of bedrooms per unit, accessibility,*
3 *affordability, and quality of units.*

4 (III) *The length of each waitlist*
5 *maintained and average wait times.*

6 (IV) *Changes in capital backlog*
7 *needs and surplus fund and reserve*
8 *levels.*

9 (V) *The number of public housing*
10 *units undergoing a conversion under*
11 *the rental assistance demonstration*
12 *program authorized under the Depart-*
13 *ment of Housing and Urban Develop-*
14 *ment Appropriations Act, 2012 (Public*
15 *Law 112–55; 125 Stat. 673) or demoli-*
16 *tion or disposition projects under sec-*
17 *tion 18 of the United States Housing*
18 *Act of 1937 (42 U.S.C. 1437p), includ-*
19 *ing the number of units lost and the lo-*
20 *cation of any replacement housing re-*
21 *sulting from demolition or disposition.*

22 (VI) *The share of project-based*
23 *vouchers compared to tenant-based*
24 *vouchers.*

1 (VII) *The following annual hous-*
2 *ing choice voucher data:*

3 (aa) *Voucher unit utilization*
4 *rates.*

5 (bb) *Voucher budget utiliza-*
6 *tion rates.*

7 (cc) *Annualized voucher suc-*
8 *cess rate.*

9 (dd) *Demographic composi-*
10 *tion of households issued vouchers*
11 *compared to utilized vouchers.*

12 (ee) *Average time to lease-up.*

13 (ff) *Average cost per voucher.*

14 (gg) *Average cost per land-*
15 *lord incentive.*

16 (hh) *Ratio of the proportion*
17 *of voucher households living in*
18 *concentrated low-income areas to*
19 *the proportion of renter-occupied*
20 *units in concentrated low-income*
21 *areas.*

22 (ii) *Characteristics of census*
23 *tracts where voucher recipients re-*
24 *side.*

1 (VIII) *How the public housing*
2 *agency met each of the statutory re-*
3 *quirements in section 204(c)(3) of the*
4 *Departments of Veterans Affairs and*
5 *Housing and Urban Development, and*
6 *Independent Agencies Appropriations*
7 *Act, 1996 (42 U.S.C. 1437f note).*

8 (iii) *Impacts on public housing staff-*
9 *ing and capacity, including the average*
10 *public housing agency operating, adminis-*
11 *trative, and housing assistance payment ex-*
12 *penditures per household per month.*

13 (C) *Legislative recommendations for flexi-*
14 *bilities that could be expanded to all public hous-*
15 *ing agencies and how each flexibility enhances*
16 *housing choice, affordability, and administrative*
17 *capacity and efficiency for public housing agen-*
18 *cies.*

19 (3) *PUBLIC AVAILABILITY.—*

20 (A) *IN GENERAL.—The Secretary shall*
21 *maintain all reports submitted pursuant to this*
22 *section in a manner that is publicly available,*
23 *accessible, and searchable on the website of the*
24 *Department of Housing and Urban Development*
25 *for not less than 5 years.*

1 (B) *OTHER INFORMATION.*—

2 (i) *IN GENERAL.*—*The Secretary shall*
3 *make the annual plan of the Moving to*
4 *Work demonstration, the Section 8 adminis-*
5 *trative plan, and the admission and contin-*
6 *ued occupancy policy for each year publicly*
7 *available in 1 location on the website of the*
8 *Department of Housing and Urban Devel-*
9 *opment for not less than 5 years.*

10 (ii) *DATABASE.*—*The Secretary may*
11 *establish a searchable database on the*
12 *website of the Department of Housing and*
13 *Urban Development to track the types of*
14 *flexibilities into which Moving to Work*
15 *demonstration public housing agencies have*
16 *opted or for which a waiver was approved*
17 *by the Secretary, disaggregated by the year*
18 *such flexibilities were adopted or approved.*

19 **SEC. 505. INCENTIVIZING LOCAL SOLUTIONS TO HOME-**
20 **LESSNESS.**

21 *Section 414 of the McKinney-Vento Homeless Assist-*
22 *ance Act (42 U.S.C. 11373) is amended by adding at the*
23 *end the following:*

24 “(f) *FUNDING CAP WAIVER AUTHORITY.*—

1 “(1) *IN GENERAL.*—*Notwithstanding any other*
2 *provision of law or regulation, a recipient may re-*
3 *quest a waiver to the expenditure limit established*
4 *pursuant to section 415(b) for amounts provided for*
5 *each of fiscal years 2027 through 2030.*

6 “(2) *WAIVER REQUEST.*—

7 “(A) *IN GENERAL.*—*A recipient seeking a*
8 *waiver described in paragraph (1) shall submit*
9 *to the Secretary a waiver request that includes*
10 *not more than the following:*

11 “(i) *A demonstration of local needs*
12 *and circumstances that necessitate a waiver.*

13 “(ii) *A detailed plan for how the re-*
14 *recipient intends to use funds.*

15 “(iii) *A justification for how the pro-*
16 *posed use of funds supports the most recent*
17 *Consolidated Plan submitted by the recipi-*
18 *ent.*

19 “(iv) *Any public input solicited under*
20 *subparagraph (B)(ii).*

21 “(B) *NOTIFICATION.*—*Each recipient*
22 *shall—*

23 “(i) *notify all subrecipients and local*
24 *Continuums of Care that serve the recipi-*

1 *ent’s geographic area of the availability of*
2 *waivers under this subsection; and*

3 *“(ii) prior to the submission of a waiv-*
4 *er request under subparagraph (A), solicit*
5 *public input regarding the potential need*
6 *for and proposed uses of such waiver.*

7 *“(C) APPROVAL; PUBLICATION.—The Sec-*
8 *retary shall—*

9 *“(i) make all waiver requests submitted*
10 *under subparagraph (A) publicly available*
11 *on the website of the Department of Hous-*
12 *ing and Urban Development;*

13 *“(ii) not later than 60 days after the*
14 *date on which the Secretary receives a waiv-*
15 *er request under subparagraph (A), approve*
16 *or deny the request; and*

17 *“(iii) deny any waiver request sub-*
18 *mitted under subparagraph (A) by a recipi-*
19 *ent that relocates or threaten to relocate in-*
20 *dividuals or their property without pro-*
21 *viding emergency shelter, rapid rehousing,*
22 *transitional housing, permanent supportive*
23 *housing, or other permanent housing op-*
24 *tions.*

25 *“(3) REVOCATION.—*

1 “(A) *IN GENERAL.*—A waiver approved
2 under this subsection shall remain in effect for
3 the duration of the period of performance of fis-
4 cal year 2027 through 2030 grants unless the re-
5 cipient notifies the Secretary in writing that the
6 recipient wishes to revoke the waiver.

7 “(B) *NOTIFICATION.*—If a recipient intends
8 to revoke a waiver under subparagraph (A), the
9 recipient shall—

10 “(i) solicit input from subrecipients re-
11 garding the revocation before submitting the
12 revocation; and

13 “(ii) provide subrecipients with a sum-
14 mary of the input and the justification for
15 the revocation in its submittal prior to noti-
16 fying the Secretary in writing.

17 “(C) *PUBLICATION.*—The Secretary shall
18 publish any revocation of a waiver under sub-
19 paragraph (A) and the justification of the recipi-
20 ent for the waiver on the website of the Depart-
21 ment of Housing and Urban Development.”.

1 **TITLE VI—VETERANS AND**
2 **HOUSING**

3 **SEC. 601. VA HOME LOAN AWARENESS ACT.**

4 (a) *IN GENERAL.*—Subpart A of part 2 of the Federal
5 *Housing Enterprises Financial Safety and Soundness Act*
6 *of 1992 (12 U.S.C. 4541 et seq.) is amended by adding at*
7 *the end the following:*

8 **“SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.**

9 “Not later than 6 months after the date of enactment
10 *of this section, the Director shall, by regulation or order,*
11 *require each enterprise to include a disclaimer below the*
12 *military service question on the form known as the Uniform*
13 *Residential Loan Application stating, ‘If yes, you may*
14 *qualify for a VA Home Loan. Consult your lender regarding*
15 *eligibility.’”.*

16 (b) *GAO STUDY.*—Not later than 18 months after the
17 *date of enactment of this Act, the Comptroller General of*
18 *the United States shall conduct a study and submit to Con-*
19 *gress a report on whether not less than 80 percent of lenders*
20 *using the Uniform Residential Loan Application have in-*
21 *cluded on that form the disclaimer required under section*
22 *1329 of the Federal Housing Enterprises Financial Safety*
23 *and Soundness Act of 1992, as added by subsection (a).*

1 **SEC. 602. VETERANS AFFAIRS LOAN INFORMED DISCLO-**
2 **SURE (VALID) ACT.**

3 (a) *FHA INFORMED CONSUMER CHOICE DISCLO-*
4 *SURE.*—

5 (1) *INCLUSION OF INFORMATION RELATING TO VA*
6 *LOANS.*—*Subparagraph (A) of section 203(f)(2) of the*
7 *National Housing Act (12 U.S.C. 1709(f)(2)(A)) is*
8 *amended—*

9 (A) *by striking “ratio in” and inserting*
10 *“ratio—*

11 *“(i) in”; and*

12 *(B) by adding at the end the following:*

13 *“(ii) in connection with a loan guar-*
14 *anteed or insured under chapter 37 of title*
15 *38, United States Code, assuming pre-*
16 *vailing interest rates; and”.*

17 (2) *RULE OF CONSTRUCTION.*—*Nothing in the*
18 *amendments made by paragraph (1) shall be con-*
19 *strued to require an original lender to determine*
20 *whether a prospective borrower is eligible for any loan*
21 *included in the notice required under section 203(f) of*
22 *the National Housing Act (12 U.S.C. 1709(f)).*

23 (b) *MILITARY SERVICE QUESTION.*—

24 (1) *IN GENERAL.*—*Subpart A of part 2 of sub-*
25 *title A of the Federal Housing Enterprises Financial*
26 *Safety and Soundness Act of 1992 (12 U.S.C. 4541*

1 *et seq.*), as amended by section 601(a) of this Act, is
2 amended by adding at the end the following:

3 **“SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.**

4 “Not later than 6 months after the date of enactment
5 of this section, the Director shall require each enterprise
6 to—

7 “(1) include a military service question on the
8 form known as the Uniform Residential Loan Appli-
9 cation; and

10 “(2) position the question described in para-
11 graph (1) above the signature line of the Uniform
12 Residential Loan Application.”.

13 (2) *RULEMAKING.*—Not later than 6 months
14 after the date of enactment of this Act, the Director
15 of the Federal Housing Finance Agency shall issue a
16 rule to carry out the amendment made by this sec-
17 tion.

18 **SEC. 603. HOUSING UNHOUSED DISABLED VETERANS ACT.**

19 (a) *EXCLUSION OF CERTAIN DISABILITY BENEFITS.*—
20 Section 3(b)(4)(B) of the United States Housing Act of 1937
21 (42 U.S.C. 1437a(b)(4)(B)) is amended—

22 (1) by redesignating clauses (iv) and (v) as
23 clauses (vi) and (vii), respectively; and

24 (2) by inserting after clause (iii) the following:

1 “(iv) for the purpose of determining
2 income eligibility with respect to the sup-
3 ported housing program under section
4 8(o)(19), any disability benefits received
5 under chapter 11 or chapter 15 of title 38,
6 United States Code, received by a veteran,
7 except that this exclusion shall not apply to
8 the income in the definition of adjusted in-
9 come;

10 “(v) for the purpose of determining in-
11 come eligibility with respect to any house-
12 hold receiving rental assistance under the
13 supported housing program under section
14 8(o)(19) as it relates to eligibility for other
15 types of housing assistance, any disability
16 benefits received under chapter 11 or chap-
17 ter 15 of title 38, United States Code, re-
18 ceived by a veteran, but such amounts shall
19 not be excluded from income when deter-
20 mining adjusted income;”.

21 (b) *TREATMENT OF CERTAIN DISABILITY BENEFITS.*—

22 (1) *IN GENERAL.*—When determining the eligi-
23 bility of a veteran to rent a residential dwelling unit
24 constructed on Department property on or after the
25 date of the enactment of this Act, for which assistance

1 *is provided as part of a housing assistance program*
2 *administered by the Secretary, the Secretary shall ex-*
3 *clude from income any disability benefits received*
4 *under chapter 11 or chapter 15 of title 38, United*
5 *States Code by such person.*

6 (2) *DEFINITIONS.—In this subsection:*

7 (A) *SECRETARY.—The term “Secretary”*
8 *means the Secretary of Housing and Urban De-*
9 *velopment.*

10 (B) *DEPARTMENT PROPERTY.—The term*
11 *“Department property” has the meaning given*
12 *the term in section 901 of title 38, United States*
13 *Code.*

14 **TITLE VII—OVERSIGHT AND** 15 **ACCOUNTABILITY**

16 **SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT** 17 **FROM HOUSING REGULATORS.**

18 (a) *REQUIREMENT TO TESTIFY.—Section 7 of the De-*
19 *partment of Housing and Urban Development Act (42*
20 *U.S.C. 3535) is amended by adding at the end the following:*

21 *“(u) ANNUAL TESTIMONY.—The Secretary shall ap-*
22 *pear before the Committee on Banking, Housing, and*
23 *Urban Affairs of the Senate and the Committee on Finan-*
24 *cial Services of the House of Representatives at an annual*

1 *hearing and present testimony regarding the operations of*
2 *the Department during the preceding year, including—*

3 “(1) *the current programs and operations of the*
4 *Department;*

5 “(2) *the physical condition of all public housing*
6 *and other housing assisted by the Department;*

7 “(3) *the financial health of the mortgage insur-*
8 *ance funds of the Federal Housing Agency;*

9 “(4) *oversight by the Department of grantees and*
10 *subgrantees for purposes of preventing waste, fraud,*
11 *and abuse;*

12 “(5) *the progress made by the Federal Govern-*
13 *ment in ending the affordable housing and homeless-*
14 *ness crises;*

15 “(6) *the capacity of the Department to deliver on*
16 *its statutory mission; and*

17 “(7) *other ongoing activities of the Department,*
18 *as appropriate.”.*

19 (b) *GOVERNMENT GUARANTEED OR INSURED MORT-*
20 *GAGES.—On an annual basis, the following individuals*
21 *shall testify before the appropriate committees of Congress*
22 *with respect to mortgage loans made, guaranteed, or in-*
23 *sured by the Federal Government:*

24 (1) *The President of the Government National*
25 *Mortgage Association.*

1 (2) *The Federal Housing Commissioner.*

2 (3) *The Administrator of the Rural Housing*
3 *Service.*

4 (4) *The Executive Director of the Loan Guar-*
5 *anty Service of the Department of Veterans Affairs.*

6 (5) *The Director of the Federal Housing Finance*
7 *Agency.*

8 (c) *MORTGAGEE REVIEW BOARD.*—Section 202(c)(8)
9 *of the National Housing Act (12 U.S.C. 1708(c)(8)) is*
10 *amended—*

11 (1) *by striking “, in consultation with the Fed-*
12 *eral Housing Administration Advisory Board,”; and*

13 (2) *by inserting “and to Congress” after “the*
14 *Secretary”.*

15 **SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY AND**
16 **SOUNDNESS.**

17 (a) *MONTHLY REPORTING ON MUTUAL MORTGAGE IN-*
18 *SURANCE FUND CAPITAL RATIO.*—Section 202(a) of the Na-
19 *tional Housing Act (12 U.S.C. 1708(a)) is amended by add-*
20 *ing at the end the following:*

21 “(8) *OTHER REQUIRED REPORTING.*—The Sec-
22 *retary shall—*

23 “(A) *submit to Congress monthly reports on*
24 *the capital ratio required under section*
25 *205(f)(2); and*

1 “(B) notify Congress as soon as practicable
2 after the Fund falls below the capital ratio re-
3 quired under section 205(f)(2).”.

4 (b) ANNUAL INDEPENDENT ACTUARIAL STUDY.—Sec-
5 tion 202(a)(4) of the National Housing Act (12 U.S.C.
6 1708(a)(4)) is amended—

7 (1) by striking “The Secretary” and inserting
8 the following:

9 “(A) DEFINITION.—In this paragraph, the
10 term ‘first-time homebuyer’ means a borrower for
11 whom no consumer report (as defined in section
12 603 of the Fair Credit Reporting Act (15 U.S.C.
13 1681a)) indicates that the borrower has or had
14 a loan with a consumer purpose that is secured
15 by a 1- to 4-unit residential real property.

16 “(B) STUDY AND REPORT.—The Secretary”;
17 and

18 (2) in subparagraph (B), as so designated, in the
19 fourth sentence, by striking “also” and inserting “de-
20 tail how many loans were originated in each census
21 tract to first-time homebuyers, and”.

22 (c) ANNUAL REPORT.—Section 203(w)(2) of the Na-
23 tional Housing Act (12 U.S.C. 1709(w)(2)) is amended by
24 inserting “and covered and first-time homebuyers (as de-
25 fined in section 202(a)(4)(A))” after “minority borrowers”.

1 **SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON**
2 **HOMELESSNESS OVERSIGHT.**

3 *Section 203(a) of the McKinney-Vento Homeless As-*
4 *sistance Act (42 U.S.C. 11313(a)) is amended—*

5 *(1) in paragraph (1)—*

6 *(A) by striking “Homeless Emergency As-*
7 *sistance and Rapid Transition to Housing Act of*
8 *2009” and inserting “Renewing Opportunity in*
9 *the American Dream to Housing Act”; and*

10 *(B) by striking “update such plan annu-*
11 *ally” and inserting “submit to the President and*
12 *Congress a report every year thereafter that in-*
13 *cludes—*

14 *“(A) the status of completion of the plan;*
15 *and*

16 *“(B) any modifications that were made to*
17 *the plan and the reasons for those modifica-*
18 *tions;”;*

19 *(2) by redesignating paragraphs (10) through*
20 *(13) as paragraphs (11) through (14), respectively;*

21 *(3) by redesignating the second paragraph (9)*
22 *(relating to collecting and disseminating information)*
23 *as paragraph (10);*

24 *(4) in paragraph (13), as so redesignated, by*
25 *striking “and” at the end;*

1 (5) *in paragraph (14), as so redesignated, by*
2 *striking the period at the end and inserting “; and*

3 (6) *by adding at the end the following:*

4 “*(15) testify annually before Congress.*”.

5 **SEC. 704. APPRAISAL MODERNIZATION ACT.**

6 (a) *RECONSIDERATION OF VALUE.—*

7 (1) *FEDERALLY BACKED MORTGAGE LOAN DE-*
8 *FINED.—In this subsection, the term “Federally*
9 *backed mortgage loan” has the meaning given the*
10 *term in section 4022 of the CARES Act (15 U.S.C.*
11 *9056).*

12 (2) *REQUIREMENT.—The Secretary of Agri-*
13 *culture, the Secretary of Veterans Affairs, the Com-*
14 *missioner of the Federal Housing Administration,*
15 *and the Director of the Federal Housing Finance*
16 *Agency shall each implement and maintain require-*
17 *ments that creditors of a federally backed mortgage*
18 *loan have a review and resolution procedure for a*
19 *consumer-initiated reconsideration of value or subse-*
20 *quent appraisal in connection with a consumer credit*
21 *transaction secured by a consumer’s principal dwell-*
22 *ing.*

23 (b) *PUBLIC APPRAISAL DATABASE.—*

24 (1) *COVERED AGENCIES DEFINED.—In this sub-*
25 *section, the term “covered agencies” means—*

1 (A) *the Federal Housing Finance Agency,*
2 *on behalf of the Federal National Mortgage Asso-*
3 *ciation and the Federal Home Loan Mortgage*
4 *Corporation;*

5 (B) *the Department of Housing and Urban*
6 *Development, including the Federal Housing Ad-*
7 *ministration;*

8 (C) *the Department of Agriculture; and*

9 (D) *the Department of Veterans Affairs.*

10 (2) *FEASIBILITY REPORT.—No later than 240*
11 *days after the date of enactment of this Act, the*
12 *Comptroller General of the United States shall submit*
13 *to Congress a public report assessing the feasibility of*
14 *creating a publicly available appraisal database that*
15 *consists of a searchable and downloadable appraisal-*
16 *level public use file that consolidates appraisal data*
17 *held or aggregated by covered agencies, including—*

18 (A) *the costs and benefits associated with es-*
19 *tablishing and maintaining the public database;*

20 (B) *the benefits and risks associated with*
21 *the Federal Housing Finance Agency or the Bu-*
22 *reau of Consumer Financial Protection being re-*
23 *sponsible for the public database and whether*
24 *there is another Federal agency best suited for*
25 *implementing and administering such database;*

1 (C) any safety and soundness, antitrust, or
2 consumer privacy-related risks associated with
3 making certain appraisal data factors publicly
4 available, including whether—

5 (i) there are any existing legal require-
6 ments, including under the Home Mortgage
7 Disclosure Act of 1975 (12 U.S.C. 2801 et
8 seq.) and section 552 of title 5, United
9 States Code (commonly known as the “Free-
10 dom of Information Act”), or additional ac-
11 tions Federal agencies could take to miti-
12 gate such risks, such as modifying or aggre-
13 gating data or eliminating personally iden-
14 tifiable information; and

15 (ii) there are any data factors that, if
16 made public, may violate conduct, ethics, or
17 other professional standards as they relate
18 to appraisals and appraisal or valuation
19 professionals;

20 (D) the feasibility of consolidating or
21 matching appraisal data held by covered agen-
22 cies with corresponding data that is required
23 and made public under the Home Mortgage Dis-
24 closure Act of 1975 (12 U.S.C. 2801 et seq.);

1 (E) whether the publication of any ap-
2 praisal data factors may pose unfair business
3 advantages within the valuation industry;

4 (F) the feasibility of including all valuation
5 data held by covered agencies, including data
6 produced by automated valuation models;

7 (G) the feasibility and benefits of making
8 the full appraisal dataset, including any modi-
9 fied fields, available to—

10 (i) Federal agencies, including for pur-
11 poses related to enforcement and supervision
12 responsibilities;

13 (ii) relevant State licensing, super-
14 vision, and enforcement agencies and State
15 attorneys general;

16 (iii) approved researchers, including
17 academics and nonprofit organizations that,
18 in connection with their mission, work to
19 ensure the fairness and consistency of home
20 valuations, including appraisals; and

21 (iv) any other entities identified by the
22 Comptroller General as having a compelling
23 use for disaggregated data;

24 (H) what appraisal data is already avail-
25 able in the public domain; and

1 *(I) the feasibility of incorporating legacy*
2 *data held by covered agencies during the period*
3 *beginning on January 1, 2017 and ending on*
4 *the date of enactment of this Act, and whether*
5 *there are specific data points not easily consoli-*
6 *dated or matched, as described in subparagraph*
7 *(D), with more recent data.*

8 *(3) PURPOSE.—The database described in para-*
9 *graph (2) shall be used to provide the public, the Fed-*
10 *eral Government, and State governments with resi-*
11 *dential real estate appraisal data to help determine*
12 *whether financial institutions, appraisal management*
13 *companies, appraisers, valuation technologies, such as*
14 *automated valuation models, and other valuation pro-*
15 *essionals are effectively serving the entire housing*
16 *market.*

17 *(4) CONSULTATION.—As part of the information*
18 *used in the report required under paragraph (2), the*
19 *Comptroller General of the United States shall con-*
20 *duct interviews with—*

21 *(A) relevant Federal agencies;*

22 *(B) relevant State licensing, supervision,*
23 *and enforcement agencies and State attorneys*
24 *general;*

1 (C) appraisers and other home valuation
2 industry professionals;

3 (D) mortgage lending institutions;

4 (E) fair housing and fair lending experts;

5 and

6 (F) any other relevant stakeholders as deter-
7 mined by the Comptroller General.

8 (5) HEARING.—Upon the completion of the re-
9 port under paragraph (2), the Committee on Bank-
10 ing, Housing, and Urban Affairs of the Senate and
11 the Committee on Financial Services of the House of
12 Representatives shall each hold a hearing on the find-
13 ings of the report and the feasibility of establishing a
14 public appraisal-level appraisal database.

15 **TITLE VIII—COORDINATION,**
16 **STUDIES, AND REPORTING**

17 **SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION ACT.**

18 (a) MEMORANDUM OF UNDERSTANDING.—The Sec-
19 retary of Housing and Urban Development, the Secretary
20 of Agriculture, and the Secretary of Veterans Affairs shall
21 establish a memorandum of understanding, or other appro-
22 priate interagency agreement, to share relevant housing-re-
23 lated research and market data that facilitates evidence-
24 based policymaking.

25 (b) INTERAGENCY REPORT.—

1 (1) *REPORT.*—Not later than 180 days after the
2 date of enactment of this Act, the Secretary of Hous-
3 ing and Urban Development, the Secretary of Agri-
4 culture, and the Secretary of Veterans Affairs shall
5 jointly submit to the Committee on Banking, Hous-
6 ing, and Urban Affairs of the Senate and the Com-
7 mittee on Financial Services of the House of Rep-
8 resentatives a report containing—

9 (A) a description of opportunities for in-
10 creased collaboration between the Secretary of
11 Housing and Urban Development, the Secretary
12 of Agriculture, and the Secretary of Veterans Af-
13 fairs to reduce inefficiencies in housing pro-
14 grams;

15 (B) a list of Federal laws (including regula-
16 tions) that adversely affect the availability and
17 affordability of new construction of assisted
18 housing and single family and multifamily resi-
19 dential housing subject to mortgages insured
20 under title II of the National Housing Act (12
21 U.S.C. 1707 *et seq.*), insured, guaranteed, or
22 made by the Secretary of Agriculture under title
23 V of the Housing Act of 1949 (42 U.S.C. 1471
24 *et seq.*), or insured, guaranteed, or made by the

1 *Secretary of Veterans Affairs under chapter 37 of*
2 *title 38, United States Code; and*

3 *(C) recommendations for Congress regard-*
4 *ing the Federal laws (including regulations) de-*
5 *scribed in subparagraph (B).*

6 *(2) PUBLICATION.—The report required under*
7 *paragraph (1) shall, prior to submission under that*
8 *subsection, be published in the Federal Register and*
9 *open for comment for a period of 30 days.*

10 **SEC. 802. STREAMLINING RURAL HOUSING ACT.**

11 *(a) IN GENERAL.—Not later than 180 days after the*
12 *date of enactment of this Act, the Secretary of Housing and*
13 *Urban Development and the Secretary of Agriculture shall*
14 *enter into a memorandum of understanding to—*

15 *(1) evaluate categorical exclusions under the en-*
16 *vironmental review process for housing projects fund-*
17 *ed by amounts from the Department of the Housing*
18 *and Urban Development and the Department of Agri-*
19 *culture;*

20 *(2) develop a process to designate a lead agency*
21 *and streamline adoption of Environmental Impact*
22 *Statements and Environmental Assessments approved*
23 *by the other Department to construct housing projects*
24 *funded by both agencies;*

1 (3) *maintain compliance with environmental*
2 *regulations under part 58 of title 24, Code of Federal*
3 *Regulations, as in effect on January 1, 2025, except*
4 *as required to amend, add, or remove categorical ex-*
5 *clusions identified under sections 58.35 of title 24,*
6 *Code of Federal Regulations, through standard rule-*
7 *making procedures; and*

8 (4) *evaluate the feasibility of a joint physical in-*
9 *spection process for housing projects funded by*
10 *amounts from the Department of the Housing and*
11 *Urban Development and the Department of Agri-*
12 *culture.*

13 (b) *REPORT.*—*Not later than 1 year after the date of*
14 *enactment of this Act, the Secretary of Housing and Urban*
15 *Development and the Secretary of Agriculture shall submit*
16 *to the Committee on Banking, Housing, and Urban Affairs*
17 *of the Senate and the Committee on Financial Services of*
18 *the House of Representatives a report that includes rec-*
19 *ommendations for legislative, regulatory, or administrative*
20 *actions—*

21 (1) *to improve the efficiency and effectiveness of*
22 *housing projects funded by amounts from the Depart-*
23 *ment of the Housing and Urban Development and the*
24 *Department of Agriculture; and*

1 (2) that do not materially, with respect to resi-
2 dents of housing projects described in paragraph
3 (1)—

4 (A) reduce the safety of those residents;

5 (B) shift long-term costs onto those resi-
6 dents; or

7 (C) undermine the environmental standards
8 of those residents.

9 **SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN**
10 **HUD-SUBSIDIZED HOUSING.**

11 (a) *IN GENERAL.*—

12 (1) *STUDY.*—Subject to subsection (b), the Sec-
13 retary of Housing and Urban Development shall con-
14 duct a study on the implementation of work require-
15 ments implemented prior to the date of enactment of
16 this Act by public housing agencies described in para-
17 graph (4) participating in the Moving to Work dem-
18 onstration authorized under section 204 of the De-
19 partments of Veterans Affairs and Housing and
20 Urban Development, and Independent Agencies Ap-
21 propriations Act, 1996 (42 U.S.C. 1437f note).

22 (2) *SCOPE.*—The study required under para-
23 graph (1) shall—

24 (A) consider the short-, medium-, and long-
25 term benefits and challenges of work require-

1 *ments on public housing agencies described in*
2 *paragraph (4) and on program participants who*
3 *are subject to such requirements, including the*
4 *effects work requirements have on homelessness*
5 *rates, poverty rates, asset building, earnings*
6 *growth, job attainment and retention, and public*
7 *housing agencies' administrative capacity; and*

8 *(B) include quantitative and qualitative*
9 *evidence, including interviews with program*
10 *participants described in subparagraph (A) and*
11 *their respective resident councils.*

12 *(3) REPORT.—Not later than 1 year after the*
13 *date of enactment of this Act, the Secretary shall sub-*
14 *mit to the Committee on Banking, Housing, and*
15 *Urban Affairs of the Senate and the Committee on*
16 *Financial Services of the House of Representatives a*
17 *report on the initial findings of the study required*
18 *under paragraph (1).*

19 *(4) PUBLIC HOUSING AGENCIES DESCRIBED.—*
20 *The public housing agencies described in this para-*
21 *graph are public housing agencies that, as part of an*
22 *application to participate in the demonstration au-*
23 *thorized under section 204 of the Departments of Vet-*
24 *erans Affairs and Housing and Urban Development,*
25 *and Independent Agencies Appropriations Act, 1996*

1 (42 U.S.C. 1437f note), submit a proposal identifying
2 work requirements as an innovative proposal.

3 (b) *DETERMINATION.*—The requirement under sub-
4 section (a) shall apply if the Secretary of Housing and
5 Urban Development determines that—

6 (1) there are a sufficient number of public hous-
7 ing agencies described in subsection (a)(4) such that
8 the Secretary of Housing and Urban Development
9 can rigorously evaluate the impact of the implementa-
10 tion of work requirements described in that sub-
11 section; and

12 (2) the study would not negatively impact low-
13 income families receiving assistance through a public
14 housing agency described in subsection (a)(4).

15 **SEC. 804. GAO STUDIES.**

16 (a) *WORKFORCE HOUSING STUDY.*—

17 (1) *MIDDLE-INCOME HOUSEHOLD DEFINED.*—In
18 this subsection, the term “middle income household”
19 means a household with an income above 80-percent
20 but that does not exceed 120-percent of the median
21 family income of the area, as determined by the Sec-
22 retary of Housing and Urban Development with ad-
23 justments for smaller and larger families.

24 (2) *STUDY.*—Not later than 1 year after the date
25 of enactment of this Act, the Comptroller General of

1 *the United States shall conduct a study and submit*
2 *to Congress a report that—*

3 *(A) identifies obstacles middle-income*
4 *households face when looking to secure affordable*
5 *housing;*

6 *(B) identifies geographic areas where hous-*
7 *ing is the most unaffordable and unavailable for*
8 *middle-income households;*

9 *(C) includes a list of Federal housing pro-*
10 *grams, including Federal tax credits, grants, and*
11 *loan programs, that are not available to middle-*
12 *income households due to their income status, in-*
13 *cluding Federal housing programs designed to*
14 *promote affordability;*

15 *(D) recommends income and other param-*
16 *eters to establish a clear and consistent Federal*
17 *definition for the term “workforce housing” for*
18 *use when describing the segment of housing that*
19 *could be made available to those middle-income*
20 *households in Federal housing programs if fund-*
21 *ing commensurate with the additional eligibility*
22 *were to be made available; and*

23 *(E) analyzes how to modify or newly de-*
24 *velop new Federal housing programs and incen-*
25 *tives to include “workforce housing” if funding*

1 *commensurate with the additional eligibility*
2 *were to be made available.*

3 **(b) HOUSING FOR ELDERLY OR DISABLED.**—*Not later*
4 *than 1 year after the date of enactment of this Act, the*
5 *Comptroller General of the United States shall carry out*
6 *a study and submit to Congress a report that identifies op-*
7 *tions to remove barriers and improve housing for persons*
8 *who are elderly or disabled, including any potential im-*
9 *pacts of providing capital advances for—*

10 *(1) the program for supportive housing for the*
11 *elderly under section 202 of the Housing Act of 1959*
12 *(12 U.S.C. 1701q); and*

13 *(2) the program for supportive housing for per-*
14 *sons with disabilities under section 811 of the Cran-*
15 *ston-Gonzalez National Affordable Housing Act (42*
16 *U.S.C. 8013).*

17 **(c) PROXIMITY OF HOUSING TO SUPERFUND SITES.**—
18 *Not later than 1 year after the date of enactment of this*
19 *Act, the Comptroller General of the United States shall*
20 *carry out a study and submit to Congress a report that*
21 *identifies how many residential dwelling units, and how*
22 *many dwelling units that are a part of public housing (as*
23 *defined in section 3(b) of the United States Housing Act*
24 *of 1937 (42 U.S.C. 1437a(b))), are located less than 1 mile*
25 *from a site that is included on the National Priorities List*

1 *established pursuant to section 105 of the Comprehensive*
2 *Environmental Response, Compensation, and Liability Act*
3 *of 1980 (42 U.S.C. 9605).*

4 (d) *RESIDENTIAL HEIRS PROPERTY.*—*Not later than*
5 *1 year after the date of enactment of this Act, the Comp-*
6 *troller General of the United States shall carry out a study*
7 *and submit to the Committee on Banking, Housing, and*
8 *Urban Affairs of the Senate and the Committee on Finan-*
9 *cial Services of the House of Representatives a report that—*

10 (1) *establishes a comprehensive definition of resi-*
11 *dential heirs property, or family land inherited with-*
12 *out a will or legal documentation of ownership;*

13 (2) *examines the occurrence of and consequences*
14 *to owners of residential heirs property, and provides*
15 *an estimate regarding the number of current residen-*
16 *tial heirs properties;*

17 (3) *describes the objectives and requirements of*
18 *the Uniform Partition of Heirs Property Act as ap-*
19 *proved by the National Conference of Commissioners*
20 *on Uniform State Laws in 2010;*

21 (4) *details the various resources that may be*
22 *available to the owners of residential heirs properties,*
23 *including housing counseling, legal services, and fi-*
24 *nancial assistance to resolve residential heirs property*
25 *title issues from the Federal Government, nonprofit*

1 *organizations, and institutions of higher education;*
2 *and*

3 *(5) makes recommendations with respect to how*
4 *to reduce the number of residential heirs properties,*
5 *including—*

6 *(A) by incentivizing States and other juris-*
7 *dictions which enact or adopt the Uniform Par-*
8 *tition of Heirs Property Act or similar such re-*
9 *forms;*

10 *(B) by awarding grants to States and other*
11 *jurisdictions to assist residents of those States*
12 *and jurisdictions to establish and document*
13 *property ownership rights or settle a decedent's*
14 *estate;*

15 *(C) by awarding grants to entities that—*

16 *(i) provide housing counseling, legal*
17 *assistance, and financial assistance to*
18 *homeowners and their heirs relating to title*
19 *clearing and home retention efforts of heirs'*
20 *property; and*

21 *(ii) target services to low- and mod-*
22 *erate-income persons or provide services in*
23 *neighborhoods that have a high concentra-*
24 *tion of low- and moderate-income persons;*
25 *and*

1 (D) by conducting other activities that as-
2 sist individuals to clear title with respect to
3 heirs' property and with general estate planning.

4 **TITLE IX—HOMEOWNERSHIP**
5 **FOR MAIN STREET AMERICA**

6 **SEC. 901. HOMES ARE FOR PEOPLE, NOT CORPORATIONS.**

7 (a) *DEFINITIONS.*—*In this section:*

8 (1) *CONSUMER REPORTING AGENCY.*—*The term*
9 *“consumer reporting agency” has the meaning given*
10 *the term in section 603 of the Fair Credit Reporting*
11 *Act (15 U.S.C. 1681a).*

12 (2) *EXCEPTED PURCHASE.*—*The term “excepted*
13 *purchase” means any purchase of a single-family*
14 *home that is—*

15 (A) *newly constructed, renovated, or a rent-*
16 *al conversion for sale by a large institutional in-*
17 *vestor and not as a residence rented pending*
18 *sale;*

19 (B) *pursuant to a build-to-rent program*
20 *where the large institutional investor purchases*
21 *newly constructed single-family homes to be*
22 *managed as rental properties, whether as com-*
23 *munities exclusively of renter-occupied single-*
24 *family homes or as communities of single-family*
25 *homes that are both owner- and renter-occupied;*

1 (C) pursuant to a renovate-to-rent program
2 that—

3 (i) substantially rehabilitates single-
4 family homes that do not meet structural or
5 core system elements of local building codes;
6 and

7 (ii) makes improvements in an aggre-
8 gate dollar amount of not less than 15 per-
9 cent of the purchase price of the single-fam-
10 ily home;

11 (D) pursuant to a homeownership program
12 that—

13 (i) requires rental payments and any
14 other fees that are not greater than those
15 collected by the large institutional investor
16 on other similarly situated single-family
17 homes not covered by the eligible homeown-
18 ership program;

19 (ii) is subject to a contract between the
20 large institutional investor and renter that
21 shall be considered a consumer credit trans-
22 action secured by a dwelling or real prop-
23 erty;

24 (iii) provides for positive reporting of
25 rental payments to consumer reporting

1 *agencies for any renter, who shall be in-*
2 *formed of and opts into such reporting; and*

3 *(iv) requires contribution of meaning-*
4 *ful financial support from the large institu-*
5 *tional investor, including price concessions,*
6 *for the purchase of the single-family home*
7 *by the renter;*

8 *(E) pursuant to a program to boost home-*
9 *ownership that—*

10 *(i) provides for positive reporting of*
11 *rental payments to consumer reporting*
12 *agencies for any renter, who shall be in-*
13 *formed of and opts into such reporting;*

14 *(ii) provides for the right of first re-*
15 *fusal and a 30-day “first look” period; and*

16 *(iii) may entail the meaningful finan-*
17 *cial support from the large institutional in-*
18 *vestor, including price concessions, for the*
19 *purchase of a single-family home by the*
20 *renter (whether it is the home the renter oc-*
21 *cupies or another home);*

22 *(F) in connection with the satisfaction of*
23 *debts previously contracted in good faith and*
24 *where the large institutional investor has the*

1 *right to repossess the single-family home under*
2 *such contract;*

3 (G) *undertaken by a mortgage servicer,*
4 *lender, or other entity that has a legal right to*
5 *a single-family home, for the purpose of loss*
6 *mitigation or compliance with servicing or in-*
7 *vestor obligations, and not as a long-term invest-*
8 *ment strategy, and is solely as a result of—*

9 (i) *a foreclosure;*

10 (ii) *a deed-in-lieu of foreclosure;*

11 (iii) *enforcement of a mortgage, deed of*
12 *trust, or other security interest; or*

13 (iv) *operation of law following bor-*
14 *rower default;*

15 (H) *purchased from another large institu-*
16 *tional investor that either owned the single-fam-*
17 *ily home on the date of enactment of this Act or*
18 *purchased the single-family home in compliance*
19 *with this section;*

20 (I) *purchased from an investor not covered*
21 *under this section, so long as the purchase oc-*
22 *curred not more than 2 years after the effective*
23 *date under subsection (f);*

24 (J) *newly constructed, renovated, or a rent-*
25 *al conversion that is intended and operated for*

1 *occupancy as part of a community for house-*
2 *holds with 1 or more members aged 55 years or*
3 *older, and satisfies visitability standards estab-*
4 *lished by the Secretary of Housing and Urban*
5 *Development; or*

6 *(K) purchased through a single purchase or*
7 *combination or series of purchases described in*
8 *subparagraphs (A) through (J).*

9 (3) *SINGLE-FAMILY HOME.*—*The term “single-*
10 *family home”*—

11 *(A) means a structure that contains 2 or*
12 *fewer dwelling units that are each intended for*
13 *residential occupancy by a single household; and*

14 *(B) does not include a manufactured home,*
15 *as defined in section 603 of the National Manu-*
16 *factured Housing Construction and Safety*
17 *Standards Act of 1974 (42 U.S.C. 5402).*

18 (4) *LARGE INSTITUTIONAL INVESTOR.*—

19 *(A) IN GENERAL.*—*The term “large institu-*
20 *tional investor”*—

21 *(i) means an investment fund, corpora-*
22 *tion, general or limited partnership, limited*
23 *liability company, joint venture, associa-*
24 *tion, or other for-profit entity that is a legal*

1 *entity structured in a manner that is not*
2 *aforementioned that—*

3 *(I) is engaged, in whole or in*
4 *part, in the business of investing in,*
5 *owning, renting, managing, or holding*
6 *single-family homes; and*

7 *(II) alone or in concert with 1 or*
8 *more other entities, beginning after the*
9 *date of enactment of this Act, directly*
10 *or indirectly has investment control of*
11 *not less than 350 single-family homes*
12 *in the aggregate, not including any*
13 *single-family home purchased in an ex-*
14 *cepted purchase made after the date of*
15 *enactment of this Act; and*

16 *(ii) does not include any local, State,*
17 *Tribal, or Federal government entity or in-*
18 *strumentality thereof.*

19 *(B) RULE OF CONSTRUCTION.—For pur-*
20 *poses of this paragraph, an entity has direct or*
21 *indirect investment control over a single-family*
22 *home if the entity—*

23 *(i) owns, or has primary authority or*
24 *fiduciary responsibility to make material*

1 *investment or management decisions relat-*
2 *ing to, the single-family home;*

3 *(ii) is, or directly or indirectly con-*
4 *trols, the general partner or managing*
5 *member of the entity that owns the single-*
6 *family home;*

7 *(iii) is or controls the investment man-*
8 *ager, management company, or investment*
9 *advisor of the entity that owns the single-*
10 *family home;*

11 *(iv) owns or controls more than 25*
12 *percent of any class of equity interests of the*
13 *entity that owns the single-family home, un-*
14 *less such entity is a passive investor; or*

15 *(v) otherwise controls the entity that*
16 *owns the single-family home.*

17 (5) *PURCHASE.*—*The term “purchase” includes*
18 *any purchase, transfer, or other acquisition of a sin-*
19 *gle family home, including through mergers, acquisi-*
20 *tions, construction, foreclosures, or bulk purchases,*
21 *whether or not for cash consideration.*

22 (b) *PROHIBITION ON PURCHASES BY LARGE INSTITU-*
23 *TIONAL INVESTORS.*—

1 (1) *IN GENERAL.*—No large institutional investor
2 may purchase, or enter into a contract to directly or
3 indirectly purchase, any single-family home.

4 (2) *EXCEPTIONS.*—The prohibition under para-
5 graph (1) shall not apply to—

6 (A) any excepted purchase; or

7 (B) any purchase of a single-family home
8 in connection with a restructuring or other reor-
9 ganization of ownership of single-family homes
10 that were owned or purchased on or before the
11 date of enactment of this Act.

12 (3) *RULE OF CONSTRUCTION.*—Nothing in this
13 section may be construed to—

14 (A) require any large institutional investor
15 to divest or otherwise sell any single-family home
16 purchased before the date of enactment of this
17 Act; or

18 (B) prevent the filing of a petition, or other-
19 wise affect any bankruptcy proceeding, under
20 title 11, United States Code.

21 (4) *IMPLEMENTATION.*—

22 (A) *IN GENERAL.*—In consultation with the
23 Secretary of Housing and Urban Development,
24 the Director of Federal Housing Finance Agency,
25 and the Chair of the Securities and Exchange

1 *Commission, the Secretary of the Treasury may*
2 *issue regulations in accordance with the notice*
3 *and comment rulemaking procedures under sec-*
4 *tion 553 of title 5, United States Code, to carry*
5 *out the purposes of this section, including regula-*
6 *tions to—*

7 *(i) minimize market disruptions upon*
8 *identifying a risk of material negative im-*
9 *pact on the housing market, including an*
10 *impact on the ability of market partici-*
11 *pants to dispose of single-family homes in*
12 *an orderly fashion;*

13 *(ii) mitigate, to the extent possible,*
14 *negative impacts on consumers and commu-*
15 *nities; and*

16 *(iii) further clarify the application of*
17 *the terms “large institutional investor”,*
18 *“single-family home”, and “excepted pur-*
19 *chase”, if the Secretary of the Treasury de-*
20 *termines that such regulations will advance*
21 *the availability of single-family homes for*
22 *purchase by individual households.*

23 *(B) RULE OF CONSTRUCTION.—For the*
24 *avoidance of doubt, no regulation issued under*
25 *subparagraph (A) may amend the definitions of*

1 *the terms defined under subsection (a), including*
 2 *to—*

3 *(i) alter the scope of excepted purchases*
 4 *in a manner that would undermine the goal*
 5 *of expanding the number of single-family*
 6 *homes available to individual households for*
 7 *purchase;*

8 *(ii) alter any type of excepted purchase*
 9 *in a manner that would undermine the goal*
 10 *of expanding the number of single-family*
 11 *homes available to individual households for*
 12 *purchase;*

13 *(iii) add any category of large institu-*
 14 *tional investor as an eligible class if not de-*
 15 *termined by this section; or*

16 *(iv) alter the quantitative threshold in*
 17 *the definition of “large institutional inves-*
 18 *tor”.*

19 *(c) DISPOSAL OF HOMES UNDER EXCEPTED PUR-*
 20 *CHASES.—*

21 *(1) REQUIREMENT TO DISPOSE.—*

22 *(A) IN GENERAL.—With respect to the pur-*
 23 *chase by a large institutional investor of a sin-*
 24 *gle-family home described in subparagraph (A),*
 25 *(B), or (C) of subsection (a)(2), or with respect*

1 to the purchase by a large institutional investor
2 of a single-family home described in subpara-
3 graph (J) of subsection (a)(2) that ceases to meet
4 the requirements of such subparagraph, the large
5 institutional investor shall dispose of the single-
6 family home to an individual homebuyer not
7 later than 7 years after the date of purchase.

8 (B) *SUBSEQUENT PURCHASE.*—For the
9 avoidance of doubt, any purchase of a single-
10 family home described in subparagraph (A), (B),
11 (C), or (J) of subsection (a)(2) shall remain sub-
12 ject to the terms of this section notwithstanding
13 a subsequent purchase by a large institutional
14 investor pursuant to another subparagraph of
15 subsection (a)(2).

16 (2) *APPLICATION.*—

17 (A) Paragraph (1) shall not apply in the
18 case of any large institutional investor which is
19 a real estate investment trust if the disposal of
20 such property would be a prohibited transaction
21 that would lead to a 100 percent tax under the
22 statute governing such types of entities.

23 (B) In the case of a large institutional in-
24 vestor that has an active leasing contract with
25 the renter of a single-family home described in

1 *paragraph (1) that went into effect not later*
2 *than 6 months before the date of disposal under*
3 *that paragraph, nothing in that paragraph shall*
4 *be construed to require the large institutional in-*
5 *vestor to dispose of the single-family home subject*
6 *to this subsection until the date on which such*
7 *contract expires.*

8 (3) *REQUIREMENTS FOR DISPOSAL.—*

9 (A) *RENTER ACCOMMODATIONS.—In the*
10 *case of a renter described in paragraph (2)(B)—*

11 (i) *the large institutional investor may*
12 *provide the renter with the option to renew*
13 *the active leasing contract in such sub-*
14 *section, except that the aggregate leasing pe-*
15 *riod of renewals shall not exceed 36 consecu-*
16 *tive months;*

17 (ii) *the large institutional investor*
18 *shall confirm whether the renter opts to*
19 *renew the leasing contract, within the limi-*
20 *tations of clause (i), through a written at-*
21 *testation; and*

22 (iii) *the large institutional investor*
23 *shall advertise the home pursuant to sub-*
24 *paragraph (C) beginning on the earlier of—*

1 (I) the date on which the renter
2 declines to renew the leasing contract;
3 or

4 (II) the date on which the leasing
5 contract expires.

6 (B) *RENTER OPTION TO PURCHASE.*—Before
7 the large institutional investor disposes of a sin-
8 gle-family home described in paragraph (1), the
9 renter of the single-family home described in
10 paragraph (2)(B) shall have the right of first re-
11 fusal and a 30-day “first look” period to pur-
12 chase the single-family home.

13 (C) *ADVERTISEMENT OF PROPERTY.*—

14 (i) *IN GENERAL.*—On the date that a
15 renter described in paragraph (2)(B) de-
16 clines to renew an active leasing contract
17 with a large institutional investor under
18 subparagraph (A), or declines a single-fam-
19 ily home under subparagraph (B), the sin-
20 gle-family home shall be—

21 (I) widely advertised and free to
22 access, and listed in publications,
23 which may include internet platforms
24 or a national Multiple Listing Service,
25 by the large institutional investor; and

1 (II) made broadly accessible to in-
2 dividual homebuyers and the general
3 public, including any licensed real es-
4 tate agents representing potential buy-
5 ers.

6 (ii) COMPLIANCE.—If a single-family
7 home described in paragraph (1) is not pur-
8 chased, or no offer to purchase is made, by
9 an individual homebuyer within 60 days of
10 the date on which the single-family home is
11 advertised under clause (i), the large insti-
12 tutional investor shall be considered to be in
13 compliance with the disposal requirements
14 under paragraph (1).

15 (D) RULE OF CONSTRUCTION.—Nothing in
16 this paragraph shall be construed to require a
17 renter to renew a lease or to affect State or local
18 tenant-landlord laws regarding requirements re-
19 lated to lease renewal processes or leasing peri-
20 ods.

21 (d) ENFORCEMENT.—

22 (1) CIVIL PENALTIES.—Any large institutional
23 investor that violates subsection (b) or paragraph (1)
24 or (2)(B) of subsection (c) shall be subject to a civil
25 penalty of not more than \$1,000,000 per violation, or

1 *3 times the purchase price of the property involved,*
2 *whichever is greater, enforced by the Secretary of the*
3 *Treasury.*

4 (2) *TRANSFER TO HUD FOR HOMEOWNERSHIP*
5 *EXPANSION ACTIVITIES.—For fiscal year 2027 and*
6 *each fiscal year thereafter, to the extent and in the*
7 *amounts provided in advance in appropriations Acts,*
8 *civil penalties assessed under this section shall be*
9 *transferred to and available to the Secretary of Hous-*
10 *ing and Urban Development to provide additional*
11 *funding for the HOME Investment Partnerships pro-*
12 *gram under subtitle A of title II of the Cranston-Gon-*
13 *zalez National Affordable Housing Act (42 U.S.C.*
14 *12741 et seq.), to be allocated in accordance with the*
15 *formula under that program, for new construction,*
16 *acquisition, and rehabilitation of single-family homes*
17 *and to provide assistance grants to first-time home-*
18 *buyers, which may be for downpayments, closing*
19 *costs, and interest rate buydowns.*

20 (e) *STUDIES ON LARGE INSTITUTIONAL INVESTORS.—*

21 (1) *GAO REPORT.—Not later than 2 years after*
22 *the date on which the prohibition under subsection*
23 *(b)(1) takes effect, and again not later than 10 years*
24 *after that date, the Comptroller General of the United*
25 *States shall submit to the Senate Committee on Bank-*

1 *ing, Housing and Urban Affairs and the House Com-*
2 *mittee on Financial Services a report on—*

3 *(A) the impact of the ownership by large in-*
4 *stitutional investors of single-family homes on*
5 *housing availability and affordability for renters*
6 *and homebuyers; and*

7 *(B) the effectiveness of this section in reduc-*
8 *ing demand by large institutional investors for*
9 *single-family homes and expanding homeowner-*
10 *ship for renters and homebuyers.*

11 *(2) HUD REPORT.—Not later than 2 years after*
12 *the date on which the prohibition under subsection*
13 *(b)(1) takes effect, and again not later than 10 years*
14 *after that date, the Secretary of the Housing and*
15 *Urban Development, in consultation with the Sec-*
16 *retary of the Treasury, the Administrator of the*
17 *Rural Housing Service, the Executive Director of the*
18 *Loan Guaranty Service of the Department of Veterans*
19 *Affairs, the Chair of Securities and Exchange Com-*
20 *mission, and the Director of the Federal Housing Fi-*
21 *nance Agency, shall submit to the Committee on*
22 *Banking, Housing and Urban Affairs of the Senate*
23 *and the Committee on Financial Services of the*
24 *House of Representatives a report on—*

1 (A) whether there should be adjustments to
2 the definition of the term “large institutional in-
3 vestor”;

4 (B) the financial impact of this section on
5 large institutional investors, renters, and home-
6 buyers; and

7 (C) any legislative recommendations regard-
8 ing ways to improve the authorities provided
9 under this section to increase the supply and af-
10 fordability of single-family homes for purchase
11 by individual homebuyers.

12 (3) *SENSE OF CONGRESS.*—It is the sense of
13 Congress that—

14 (A) this section is intended to expand the
15 number of single-family homes available to indi-
16 viduals for purchase and is aimed at preserving
17 and expanding the supply of single-family homes
18 available to individuals; and

19 (B) any further study on the effectiveness of
20 this section and any legislative recommendations
21 therefrom should consider this sense of Congress.

22 (f) *EFFECTIVE DATE.*—The requirements and prohibi-
23 tions under subsections (b), (c), and (d) of this section—

24 (1) shall take effect on the date that is 180 days
25 after the date of enactment of this Act; and

1 (2) are repealed on the date that is 15 years
2 after the effective date under paragraph (1).

3 **TITLE X—CENTRAL BANK**
4 **DIGITAL CURRENCY**

5 **SEC. 1001. CENTRAL BANK DIGITAL CURRENCY.**

6 *The Federal Reserve Act (12 U.S.C. 221 et seq.) is*
7 *amended by inserting after section 16 (12 U.S.C. 411 et*
8 *seq.) the following:*

9 **“SEC. 16A. CENTRAL BANK DIGITAL CURRENCY.**

10 “(a) *DEFINITIONS.—In this section:*

11 “(1) *CENTRAL BANK DIGITAL CURRENCY.—The*
12 *term ‘central bank digital currency’ means a digital*
13 *asset that—*

14 “(A) *is denominated in United States dol-*
15 *lars;*

16 “(B) *is a United States currency;*

17 “(C) *is a direct liability of the Federal Re-*
18 *serve System; and*

19 “(D) *is widely available to the general pub-*
20 *lic.*

21 “(2) *DIGITAL ASSET.—The term ‘digital asset’*
22 *has the meaning given the term in section 2 of the*
23 *GENIUS Act (12 U.S.C. 5901).*

24 “(b) *PROHIBITION.—Except as provided in subsection*
25 *(c), the Board of Governors of the Federal Reserve System*

1 *or a Federal reserve bank may not issue or create a central*
2 *bank digital currency or any digital asset that is substan-*
3 *tially similar to a central bank digital currency directly*
4 *or indirectly through a financial institution or other inter-*
5 *mediary.*

6 “(c) *EXCEPTION.*—Subsection (b) shall not prohibit
7 any dollar-denominated currency that is open,
8 permissionless, and private, and fully preserves the privacy
9 protections of United States coins and physical currency.
10 “(d) *SUNSET.*—This provisions of this section shall
11 cease to be effective on December 31, 2030.”

12 **TITLE XI—MISCELLANEOUS**

13 **SEC. 1101. SEVERABILITY.**

14 *If any provision of this Act, or the application thereof*
15 *to any person or circumstance, is held invalid, the remain-*
16 *der of the Act, and the application of such provisions to*
17 *other persons or circumstances, shall not be affected thereby.*

18 **SEC. 1102. NO ADDITIONAL FUNDS AUTHORIZED.**

19 *No additional funds are authorized to be appropriated*
20 *to carry out the requirements of this Act or any amendment*
21 *made by this Act.*

Attest:

Secretary.

119TH CONGRESS
2^D SESSION

H.R. 6644

AMENDMENT